ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6238 SENATE COMMUNITY & REGIONAL AFFAIRS

commissioner regarding appropriate changes.

Sec. 46.11.048. STANDARDS TO BE REASONABLE. In developing the thermal and lighting standards under AS 46.11.040, the commissioner, in consultation with the technical advisory committee established under AS 46.11.045, shall ensure that incremental costs attributable to meeting the standards bear a reasonable relationship to the value added to the home as a result of the energy efficiency investments."

Renumber the following bill sections accordingly.

A M E N D M E N T

OFFERED IN THE SENATE

TO: CSSSHB 358 (Finance)

Page 9, line 2, after "standards,":

Insert "with specific consideration given to the availability of inexpensive home heating energy sources,"

A M E N D M E N T

OFFERED IN THE SENATE

TO: CSSSHB 358 (Finance)

Page 5, line 26:

Delete "1990"

Insert "1991"

Page 8, line 17:

Delete "1990"

Insert "1991"

Page 11, line 26:

Delete all material.

Insert new bill sections to read:

"* Sec. 9. ELIGIBILITY OF PERSONS FOR STATE INCENTIVE PAYMENT. (a) A person who initiates and completes construction of a residential building after the effective date of this Act and before January 1, 1992, qualifies for payment of $1,500 from the Department of Community and Regional Affairs if the person demonstrates, to the satisfaction of the commissioner, that

(1) the residential building meets or exceeds the thermal and lighting energy standards; or

(2) the residential building meets or exceeds the building code of a municipality and the standards for thermal and lighting energy of the municipal building code meet or exceed the thermal and lighting energy

standards.

(b) The Department of Community and Regional Affairs shall

(1) adopt regulations to implement this section;

(2) from legislative appropriations made for the purpose, make the payments required to persons who qualify under (a) of this section.

(c) In this section,

(1) "commissioner" means the commissioner of community and regional affairs;

(2) "thermal and lighting energy standards" has the meaning given in AS 46.11.900(8), as amended by sec. 7 of this Act.

* Sec. 10. Section 9 of this Act is repealed January 1, 1992.

* Sec. 11. This Act takes effect immediately under AS 01.10.070(c)."

HOME ENERGY SERVICE

In support of House Bill 358 January 15, 1990

The intent of Statute (AS 46.11.010-.900), which this bill amends, was to provide State mortgage subsidies to houses that meet minimum energy efficiency standards. This bill would accomplish that legislative intent and help protect Alaskans from sub standard building practices. This bill is good for the citizens of Alaska because it serves their economic needs at the lowest possible cost and insures affordable housing for future generations.

While we are fortunate to have programs in Alaska such as the Alaska Housing Finance Corporation (AHFC), it is unfortunate that they have financed and now own so many poorly insulated homes. Alaskans are faced with both the coldest climate and the highest fuel costs in the Nation. In light of this, it is tragic that we are one of only two States which have not yet implemented any minimum building efficiency standards.

Since the energy crisis of the early 1970's, much study has occurred in the area of cost effective building construction practices. Time after time it has proven to be in the consumer and society's best interest to "build it right the first time". As each new standard is developed, the results are consistent. It is always more cost effective to add proper levels of insulation during initial construction than to pay for increased space heating costs year after year.

The C&RA minimum standards follow the American Society of Heating, Refrigeration and Air conditioning Engineers (ASHRAE) format. In fact C&RA is less restrictive than the latest ASHRAE version 90.2, which was recently published. During the last fifteen years, many different standards have been adopted through out the country. The unmistakable trend has been towards increased insulation levels as new studies become documented. The fact is that these standards make good sense because they work in the real world.

The role of government is evolving with regard to the energy problem. The leadership of the Federal Government in this area during the 1970's has been replaced by inaction in the 1980's. Energy concerns have increasingly been delegated to the states for resolution without appropriate Federal funding. While this issue is crucial to each of us in our daily lives, it also substantially affects the national security of our country.

CHRONOLOGY OF DCRA EFFORTS TO WORK WITH
HOMEBUILDERS ON ENERGY STANDARD

10/27/83 DCRA Commissioner Mark Lewis, invited Alaska State Homebuilders' Association (ASHBA) to name a representative to the advisory committee that will guide the development of the Standard (Attachment 1). ASHBA President Jess Hall named Rick Wike of Wasilla as the Association's representative. The Alaska Mortgage Bankers Association and the Alaska Association of General Contractors also named representatives.

2/22/84 First meeting of the advisory committee. Mr. Wike agreed on the need for a mandatory standard. He stated that ASHBA favored a performance-based standard (see report of the first meeting of the Advisory Committee, Attachment 2).

12/15/84 Mr. Wike served as ASHBA's representative in the process of selecting the three independent professional construction cost-estimating firms to develop the Standard's cost estimates. He also served on the committee to review the firms' estimates. Intent was to involve housing industries in this important element of the development.

1/85-6/85 Advisory committee reviewed and approved every phase of the research and analysis for developing the Standard, including assumptions and sensitivity analysis. Mr. Wike and ASHBA president copied on all correspondence.

6/7/85 Advisory Committee met for two days in Fairbanks to review life-cycle-cost computer analysis, and unanimously recommends Standard's insulation levels. Mr. Wike was the only member not to attend the meeting.

6/17/85 To ensure Mr. Wike's concurrence with recommendations, DCRA staff Steve Baden and Stuart Brooks traveled to Wasilla to brief Mr. Wike and ASHBA President Robert Johnson and solicit their input. At the meeting, Messrs. Wike and Johnson said they had no problems with the proposed Standard's levels and, in fact, advocated insulation levels (to R-38) for the ceilings of gas-heated homes higher than the R-30 originally recommended. Their recommendation was accepted by the Department and the rest of the Advisory Committee.

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

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The role of government is evolving with regard to the energy problem. The leadership of the Federal Government in this area during the 1970's has been replaced by inaction in the 1980's. Energy concerns have increasingly been delegated to the states for resolution without appropriate Federal funding. While this issue is crucial to each of us in our daily lives, it also substantially affects the national security of our country.

Utility and oil companies have opposed increased efficiency standards in some States to avoid reduced sales. The costs of new generating plants, hydro facilities, oil exploration activities and pollution, however, have recently been considered as cost factors by the public utility commissions of many States. This has led to a mandate for least cost planning approaches which include cost effective energy efficiency.

The National Association of Homebuilders (NAHB) position is to oppose any item which adds to the initial cost of a home. Examples of this are their past objections to installing smoke detectors and ventilation fans in houses. The acceptable period for payback of an insulation investment for the NAHB appears to be somewhere around 2-3 years. It should be noted, however, that at the current rate of home construction in America, each existing residential unit will have to last for 100 years if we are going to stay current with the existing number of housing units.

The days of inexpensive energy in America seem to be gone. One notable exception to that is the natural gas service in Anchorage. As these contracts are renewed in the near future, however, it is anticipated that prices will rise to reflect production and cost increases.

This legislation will help lenders, appraisers, builders and consumers. The main reason for this benefit lies in the fact that as we measure these houses and determine if they meet the standard, we will also be able to send the appropriate signals to the financial market. The Energy Rated Homes program, for example, can give this verification and at he same time provide important consumer information to both the buyer and seller of a residential loan.

In recent times we have spent substantial time and money seeking a diversified economic development agenda. We should not close our eyes to the opportunity and benefits an improved and affordable housing stock provides. It is deplorable that many Alaskans live in government financed buildings which are not mechanically capable of being comfortably heated in winter. A further tragedy is the fact that low income Alaskans must pay such a high percentage of their disposable income on energy needs.

I urge your support for this bill and to the overwhelming benefits it will provide to the people of Alaska.

Thank you,

Stephen O. Shows

Stephen O. Shows
President

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1/13/85 First draft of Standard was completed and distributed for internal review by the Advisory Committee and the ASHBA before going public (Attachment 3). No response was received from the Association. Based upon the input from the rest of the Advisory Committee, a second draft was produced.

4/30/86 Second draft of Standard released for public review. Copies mailed to ASHBA and its local chapters. Approximately 540 copies sent out statewide.

5/86-6/86 Second draft revised to reflect input received from statewide review. Public meeting to explain third draft Standard and solicit input was conducted in 19 communities across the state. Meetings were publicized through newspaper ads and radio PSA's. (See Attachment 4 for DCRA staff analysis of public review.)

5/13/86 Building Industry Association of Anchorage (BIAA), the Anchorage chapter of ASHBA, presented its fifteen concerns with draft Standard (Attachment 5).

5/20/86 DCRA staff, Stuart Brooks and Frank D'Elia, meet with BIAA representatives to explain ASHBA involvement through their representatives on Advisory Committee, and the development of the cost estimates used to develop Standard levels. DCRA staff left with impression that an understanding had been reached regarding costs.

6/12/86 Preston Burnett, ASHBA president, wrote DCRA Commissioner Notti questioning need for Standard. Commissioner Notti responded with the background of the development of the Standard, informing him that ASHBA was represented on the Advisory Committee, and asking for specific concerns (Attachment 6). This was the last correspondence received on the Standard from ASHBA until after it was adopted.

6/25/86 Samuel Hill, BIAA president, wrote Commissioner Notti stating that the organization's concerns were not allayed and urged DCRA to work with BIAA to make the draft more "reasonable". Commissioner Notti responded on 7/7/86 and asked BIAA to forward its specific concerns and suggested meeting on 7/18/86 (Attachment 7).

7/14/86 BIAA accepted meeting invitation. Forwarded copy of 5/13/86 "Builder's Alert" as its specific concerns (Attachment 8).

7/30/86 Commissioner Notti not able to travel to Anchorage because of budget reductions. DCRA staff analysis forwarded to BIAA. In cover letter, Steve Baden stated that DCRA found several BIAA concerns well founded. Letter stated that staff would redraft Standard to address concerns expressed at public review process, and would meet with BIAA to address its concerns (Attachment 9).

8/26/86 DCRA Deputy Commissioner Jeff Smith and Steve Baden met with representatives of BIAA. Deputy Commissioner Smith, standing in for Commissioner Notti, stated the Department was following the Legislature's mandate but wanted to come to an accommodation with the builders. He also distributed an option paper on how the Standard could be implemented and asked for builders' input. It was agreed that DCRA staff would meet with BIAA's Building Council on 9/3/86. (Attachment 10 contains agenda of 8/26 meeting and implementation options paper.)

9/3/86 Steve Baden and Stuart Brooks met with BIAA Building Council and addressed the 5/13/86 concerns point by point. The meeting began with Mr. Baden giving a history of the development process, what the State's position was on the Standard and what was hoped to be accomplished (Attachment 11). Was able to resolve, through clarification, the 5/13 concerns # 1, 4, 9, 10 and 11. DCRA asked the builders for clarification on issues 2, 3, 5, 6, 7, 8, 13, and 14. Chuck Hohman and Steve Bell were designated as BIAA's team to negotiate the later issues. Regarding implementation, the options paper was discussed and the builders were encouraged to work with AHFC in developing a process they could live with.

9/8/86 Steve Baden and Stuart Brooks met with Chuck Hohman to discuss BIAA's revised cost-estimates for the remaining issues. It was also agreed that mechanical ventilation would not be required in the Southcentral and Southeast regions.

9/11/86 Steve Baden and Stuart Brooks meet with Commissioner Notti and discussed issues brought up through meetings with BIAA and the public review process. Staff recommended either accepting BIAA recommendations or changing the draft language to address its concerns on eleven of the fifteen issues raised by BIAA. Commissioner Notti concurred. Only on the issues of the requirement for the vapor barrier to cover rim joist areas of cantiliver floors and the flue testing of heating systems did DCRA not accept BIAA's concerns (Attachment 12).

9/16/86 BIAA's Building Council was invited to meet with Commissioner Notti in Anchorage to learn of DCRA's response to its 5/13 concerns. Only Messrs. Bell and Hohman attended. Commissioner Notti informed them of DCRA's concessions and the two issues where the State could not change. The Commissioner asked if BIAA could now live with the Standard. Mr. Bell and Mr. Hohman responded that, while some individuals would oppose the Standard, the BIAA could live with the Standard's provisions.

10/20/86 The Standard was redrafted to meet BIAA's legitimate concerns, and others raised during the public review process. A teleconference public hearing was held in 12 communities on the regulations adopting the Standard. In the hearing, DCRA was criticised by energy professionals and the Alaska Lung Association for compromising with the builders on the mechanical ventilation issue. In its written testimony, BIAA stated that the Standard was now more practical, but it still opposed the Standard for Anchorage because of added costs (Attachment 13). As a result of the concerns expressed by contractors in Southeast, the wall insulation requirements were reduced and a separate region was created for Southeast. (Attachment 14 contains DCRA's considerations of comments given at public hearing.) The Standard was adopted by DCRA on 11/7/86.

6/30/87 As a result of concerns expressed by builders in Fairbanks and Kotzebue about floor insulation levels, the Department lowered the floor levels in Regions 3 and 4 from R-40 to R-38, and in Region 5 from R-52 to R-43. The waiver was granted because of the life-cycle cost analysis in accordance with 19AAC 69.230. (The waiver request is included in Attachment 15.)

10/14/87 Steve Baden was invited to BIAA to give a presentation of the thermal standard. At the meeting it was made clear that the builders present strongly opposed the Standard and wanted the regulation suspended for two years or repealed. Senator Arliss Sturgulewski attended the meeting and said she would try to facilitate discussions between builders and the State to resolve the issue.

11/12/87 Meeting with representatives of builders, Senators Sturgulewski and Faiks, Commissioners Hoffman and Smith, Ray Price of the Governors Office, Steve Baden, Don Markle of the Alaska Craftsman Home Program and Peter Poray of Energy Rated Homes. At the meeting, builders expressed concern with the

Standard on five issues: (1) added cost of construction; (2) indoor air quality; (3) lack of training and education program; (4) AHFC's lack of an enforcement process; and (5) the inability of builders to pass on added costs in today's market (see Attachment 16). Commissioner Hoffman stated that DCRA would work with ASHBA to determine what issues could be resolved.

11/19/87 Ray Price; Randall Burns, Director of the Division of Occupational Licensing; Wayne Munday of AHFC; a representative of the Attorney General's Office; and Steve Baden and Robert Brean of DCRA, met and discussed options for addressing the builders' concerns. It was agreed that the builders' legitimate concerns centered upon a lack of an education program and an enforcement process by AHFC. It was agreed to present the builders: (1) a six-month moratorium from the mandatory measures contained in Chapter 2 of the Standard for areas of Southcentral Alaska heated with natural gas; (2) a builder education program through the Alaska Craftsman Home Training Program; and (3) DCRA implementation though two options: (a) builder self-certification with proof of training though Alaska Craftsman training, or (b) the home receiving a four-star rating or better through the Energy Rated Home Program. (Attachment 17 contains elements of proposal agreed to.)

11/30/87 Michael Harper and Steve Baden of DCRA met with Greg Jones, Larry Taylor and Rob Gambell of ASHBA. DCRA presented proposal developed at 11/19 meeting (Attachment 18). ASHBA expressed the following concerns with the proposal: (1) wanted at least a one-year moratorium; (2) moratorium be statewide; (3) AHFC implementation issue needed to be resolved. (Summary of meeting in Attachment 19). The builders stated that they needed to consult with their council and would meet with Commissioner Hoffman on December 10 with their response. It was stated that, if agreement was reached, the moratorium could go into effect by January 1, 1988.

12/10/87 Commissioner Hoffman met with representatives of ASHBA, BIAA, Kenai Homebuilders Association and Fairbanks Homebuilders Association. At the meeting, the Commissioner stated that DCRA intended to comply with the law, but realized the builders had legitimate concerns regarding AHFC's lack of an implementation process and DCRA's lack of an education program. He agreed to the builders request that the moratorium be statewide, last over

the 1988 building season, and cover the entire state. He also committed to an education program during the moratorium. When the builders raised concerns over indoor air quality, he agreed to meetings on this issue between DCRA staff and ASHBA representatives. The builders said they would bring the issue to ASHBA Board for consideration.

12/30/87 ASHBA passed a resolution stating that they would support a moratorium if the following conditions were met: (1) the Standard in the interim be amended to meet ASHBA's concerns with indoor air quality and building structural concerns regarding the use of a continuous vapor barrier; (2) implementation issues be resolved; (3) issue of liability to builder be addressed; (4) a cost/benefit analysis take place in accordance with the Society of Real Estate Appraisers; and (5) the results of the study be published and made available to the Legislature and public for comment prior to implementation of the Standard (Attachment 20).

1/5/88 Robert Brean and Steve Baden of DCRA met with Larry Taylor, Rob Gambell and Greg Jones of ASHBA. DCRA expressed willingness to discuss indoor air quality concerns. Builders wanted to expand discussion to include negotiating changes in Standard, and to delay implementation of the Standard if their demands were not met. Builders were asked to state their specific concerns. They reiterated their 5/13/86 concerns. When it was pointed out this issue had already been negotiated and settled, the discussion broke down. When it was mentioned that, if the builders were able to demonstrate that their concerns were valid through the life-cycle cost analysis provided for by the regulation, a waiver could be granted, the builders stated that they would rather pursue the legislative process.

1/8/88 DCRA, AHFC and ASHBA made presentations to the Energy Policy Task Force on the Standard and on the issues involved. The Task Force voted unanimously that the Standard was necessary and should continue to be in effect (Attachment 21)

1/14/88 After receiving concerns from building suppliers on their perception of the lack of a public information program prior to the Standard's effective date, and the need of more time to sell off inventory items which might become difficult to sell after the implementation of the Standard, a 120-day moratorium was adopted by DCRA through emergency regulation (Attachment 22).

1/15/88 Greg Jones, Larry Taylor and Rob Gambell were informed, by Michael Harper, of the moratorium and that its purpose was to give time to AHFC to adopt an implementation process, DCRA to undertake an education program, and the builders one more building season to prepare for the Standard.

1/20/88 Public notice was given of DCRA's intent to extend the moratorium to October 1, 1988, and requesting public input (Attachment 23). The notice was advertised in every newspaper in the State.

1/20/88 Letter from Commissioner Hoffman announcing the moratorium and education program was mailed to a list of over 11,000 (Attachment 24). Included on the mailing list were all holders of a State license in the following categories: architects, engineers; land surveyors; realtors; general contractors; and specialty (insulation) contractors. Also added to the list was appraisers & bankers (list provided by AHFC and DCRA); and ASHBA mailing list.

2/1/88 After learning of concerns of Ketchikan appraisers, realtors and bankers regarding the Standard and their misconceptions of what was required, Steve Baden travelled to Ketchikan to clarify the issue to representatives of the local housing industry, the Borough Assembly and media (Attachment 25).

2/29/88 Notice of Standard workshops were mailed to over 12,000 mailing list of architects, engineers, surveyors, building suppliers, heating contractors, contractors, appraisers, bankers and members of homebuilder associations across the State (Attachment 26).

3/8/88 At teleconference on SB 308, ASHBA reiterated its opposition to the Standard and requested a repeal or a five-year moratorium on the Standard.

3/10/88 DCRA requested that the moratorium to October 1, 1988 be adopted. No comments were received from the housing industry through the review process. A majority of those responding opposed the moratorium (Attachment 27).

3/14/88 Commissioner Hoffman notified Senator Sturgulewski of opposition to continuing the moratorium past 10/1/88 (Attachment 28).

3/14/88 - 5/19/99 Workshops on the Standard conducted in 22 communities across State. Workshops advertised through newspaper ads, PSA's and media interviews.

-1116M
Chenoweth
3/22/90

Original sponsor(s): REP. BROWN, M.Davis, MacLean, Hudson, Koponen, Goll

IN THE HOUSE

SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 358 ( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to minimum thermal and lighting energy standards; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 18.56.090 is amended to read:

Sec. 18.56.090. GENERAL POWERS. In addition to other powers granted in this chapter, the corporation may, for the purpose of providing housing for persons of lower and moderate income or persons located in remote, underdeveloped, or blighted areas of the state and for its other corporate purposes,

(1) [REPEALED

(2)] make or participate in the making of mortgage loans to sponsors, developers, builders, and purchasers of residential housing, if the corporation determines that

(A) mortgage loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions; and

(B) the residential housing for which the mortgage loans are made complies with applicable provisions of AS 18.56.096(c) and the applicable thermal and lighting energy standards of AS 46.11.030;

(2) [(3)] purchase or participate in the purchase of mortgage loans made to sponsors, developers, builders, owners, and purchasers of residential housing, if the corporation

(A) has given approval before the initial making of the loan and has determined that mortgage loans were, at the time the approval was given, not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions, or

(B) has determined that

(i) the purchase or participation will result in additional residential housing, taking into account without limitation such factors as reinvestment of the proceeds of the sale in additional mortgage loans, increased availability of mortgage loans insured by the federal government, its agencies or departments, the reduction, if any, of interest payments to be made with respect to mortgage loans, or such other factors as will tend to increase or improve the supply of residential housing within the state; and

(ii) the residential housing covered by the mortgage loan complies with applicable provisions of AS 18.56.096(c) and the applicable thermal and lighting energy standards of AS 46.11.040;

(3) [(4)] make partial rental payments and mortgage interest payments under a contract with any housing owner if the payments will be applied to decrease rental or mortgage interest charges of persons of lower and moderate income or owners or purchasers of residential housing in remote, underdeveloped, or blighted areas of the state;

(4) [(5)] make loans from the housing development fund;

(5) [(6)] collect and pay reasonable fees and charges in connection with making, purchasing, and servicing its mortgages, loans, notes, bonds, certificates, commitments, and other evidences of

indebtedness;

(6) [(7)] acquire real property, or any interest in real property, in its own name, by purchase, transfer, or foreclosure, when the acquisition is necessary or appropriate to protect any loan in which the corporation has an interest; sell, transfer, and convey the property to a buyer; and, if the sale, transfer, or conveyance cannot be effected with reasonable promptness or at a reasonable price, rent or lease the property to a tenant pending the sale, transfer, or conveyance;

(7) [(8)] sell, at public or private sale, to any purchaser, including the Federal National Mortgage Association, all or any part of a mortgage or other instrument or document securing a construction, land development, mortgage, or temporary loan of any type permitted by this chapter;

(8) [(9)] purchase, in order to meet the requirements of the sale of its mortgages to the Federal National Mortgage Association, stock of the Federal National Mortgage Association;

(9) [(10)] procure insurance against any loss in connection with its operation;

(10) [(11)] consent to the modification of the rate of interest, time of payment of any installment of principal or interest, or any other terms, of the mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract, or agreement of any kind to which the corporation is a party;

(11) [(12)] borrow money as provided in this chapter to carry out and effectuate its corporate purposes; and issue its obligations as evidence of borrowing;

(12) [(13)] include in any borrowing the amounts necessary to pay financing charges, interest on the obligations for a period not

exceeding one year after the date on which the corporation estimates funds will otherwise be available to pay the interest, consultant, advisory and legal fees, and other expenses that are necessary or incident to this borrowing;

(13) [(14)] under AS 18.56.088, adopt and publish regulations respecting its lending programs and other regulations that are necessary to effectuate its purposes;

(14) [(15)] provide technical and advisory services to sponsors, builders, and developers of residential housing and to residents of it;

(15) [(16)] promote research and development in scientific methods of constructing low-cost and energy-efficient residential housing of high durability;

(16) [(17)] make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the corporation under this chapter, including contracts with any person, firm, corporation, governmental agency, or other entity;

(17) [(18)] receive, administer, and comply with the conditions and requirements respecting any appropriation or gift, grant, or donation of property or money;

(18) [(19)] sue and be sued in its own name;

(19) [(20)] adopt an official seal;

(20) [(21)] adopt bylaws for the regulation of its affairs and the conduct of its business and adopt regulations and policies in connection with the performance of its functions and duties;

(21) [(22)] employ fiscal consultants, enginee s, attorneys, real estate counselors, appraisers, and other consultants and employees that may be required in the judgment of the corporation, and fix

and pay their compensation from funds available to the corporation;

(22) [(23)] do all acts and things necessary, convenient, or desirable to carry out the powers expressly granted or necessarily implied in this chapter;

(23) [(24)] invest or reinvest, subject to its contracts with noteholders and bondholders, any money or funds held by the corporation in any obligations or other securities or investments in which banks or trust companies in the state may legally invest funds held in reserves or sinking funds or any funds not required for immediate disbursement, and in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the state or the United States;

(24) [(25) REPEALED

(26) REPEALED

(27) REPEALED

(28)] purchase a mortgage loan made to refinance an existing mortgage loan, without regard to whether the corporation holds the existing mortgage loan, as long as the interest rate and fees charged to the borrower are sufficient to fully reimburse the corporation for all costs incurred by the corporation in purchasing the mortgage loan and as long as the borrower will be in compliance with AS 18.56.096(a)(6) after purchase of the mortgage loan by the corporation.

* Sec. 2. AS 18.56.096 is amended by adding a new subsection to read:

(c) The corporation may not make, participate in the making of, purchase, or participate in the purchase of a loan for a residential building if construction of the building begins after December 31, 1991, unless the building complies with the thermal and lighting energy standards required by AS 46.11.040. The corporation

(1) may adopt regulations to implement this subsection; and

(2) shall, by regulation, establish

(A) procedures by which the person responsible for the construction of the building may demonstrate that the building complies with the thermal and lighting energy standards, including

(i) self-certification, if the contractor responsible for the building construction provides satisfactory evidence that the contractor has completed a training program of the Alaska Craftsman Home Program and the training program is satisfactory to the commissioner of community and regional affairs;

(ii) submission of the certificate of a registered architect, registered engineer, or a building inspector, and the architect, engineer, or building inspector has completed a training program of the Alaska Craftsman Home Program and the training program is satisfactory to the commissioner of community and regional affairs;

(iii) submission of the certificate of occupancy issued by the municipality in which the building is located, if the certificate is issued by a municipality in which the municipal building code meets or exceeds the thermal and lighting energy standards, as determined by the commissioner of community and regional affairs;

(iv) another method approved by the commissioner of community and regional affairs in regulations adopted by the commissioner after consultation with the executive director of the corporation; and

(B) criteria by which the energy conservation standards may be met; for purposes of this subparagraph, the residential building complies with the energy standards if the residence

has received a rating under the rating system developed by Energy Rated Homes of Alaska if, in the judgment of the commissioner of community and regional affairs, the rating meets or exceeds the thermal energy standards required by AS 46.11.040.

* Sec. 3. AS 18.56.105 is amended to read:

Sec. 18.56.105. ALLOCATION OF LENDING ACTIVITIES. The corporation shall designate regions within the state which in the aggregate, encompass the entire state. In participating in the making or purchasing of loans under AS 18.56.090(1) and (2) [AS 18.56.090(2) AND (3)] or under AS 18.56.100, the corporation shall make its money available through the private financial institutions in the state within each region designated by the corporation under this section. The corporation shall allocate its money among the regions on the basis of recent and future anticipated lending activity as well as the potential need for the loans in each region and may reallocate its money among the regions as it considers appropriate to reflect changes in lending activity or need in the regions.

* Sec. 4. AS 18.56.110(g) is amended to read:

(g) Notwithstanding AS 18.56.090(11) [AS 18.56.090(12)] and (a) of this section, the corporation may not issue bonds in any 12-month period beginning after June 30, 1983, in an amount that exceeds the amount of bonds authorized to be issued during the preceding period, unless a different amount is authorized by the legislature. This subsection does not apply to the issuance by the corporation of refunding bonds or to the issuance by the corporation of bonds the proceeds of which are intended to be used to refinance mortgage loans held by the corporation.

* Sec. 5. Section 1, ch. 83, SLA 1980, is amended to read:

Section 1. DECLARATION OF POLICY. It is the policy of the state

to encourage and facilitate the implementation of energy conservation measures relating to in-state energy use. This policy shall be implemented by

(1) the state setting an example of wise and efficient energy use, by designing and managing public buildings and their energy systems to meet appropriate standards for energy efficiency;

(2) providing incentives for the design and modification of residential [COMMERCIAL, AND INDUSTRIAL] buildings to accomplish maximum energy efficiency; and

(3) establishing mandatory energy efficiency standards for buildings purchased or constructed with state financial assistance.

* Sec. 6. AS 46.11.040 is amended to read:

Sec. 46.11.040. APPLICABILITY OF THERMAL AND LIGHTING ENERGY STANDARDS TO RESIDENTIAL [PRIVATE] BUILDINGS. State financial assistance may not be approved or granted for the construction of or purchase of a loan for a [NEW] residential [OR COMMERCIAL] building if construction of the building begins after December 31, 1991 [1980], unless

(1) the building is in compliance with thermal and lighting energy standards;

(2) the building is in compliance with the building code of a municipality and the standards for thermal and lighting energy of the municipal building code meet [MEETS] or exceed [EXCEEDS] the thermal and lighting energy standards;

(3) the building

(A) is constructed under an exception to the municipal building code granted because the exception will result in increased energy efficiency; or

(B) is located or is to be located in an area where

thermal and lighting energy standards are not justified because of the high cost of implementation of the standards, with specific consideration given to the availability of inexpensive home heating energy sources, as determined under regulations adopted by the commissioner of community and regional affairs after consultation with the Residential Energy Standards Technical Advisory Committee established under AS 46.11.045; or

(4) the applicant agrees, in writing, that the building will be brought into compliance with thermal and lighting energy standards within one year of conveyance.

* Sec. 7. AS 46.11 is amended by adding new sections to read:

Sec. 46.11.045. RESIDENTIAL ENERGY STANDARDS TECHNICAL ADVISORY COMMITTEE. (a) To assist with the development and review of the thermal standards developed under AS 46.11.040, the commissioner shall establish a Residential Energy Standards Technical Advisory Committee and appoint its members. The advisory committee is composed of 16 members and must include

(1) a homebuilder, residential building contractor, or other person who is actively engaged in the construction or sale of residential homes from each of the following regions of the state:

(A) Anchorage;

(B) Matanuska-Susitna Borough;

(C) Kenai Peninsula Borough;

(D) Bristol Bay-Kodiak-Aleutian Islands;

(E) Fairbanks and Interior Alaska;

(F) Southeast Alaska;

(G) Southwest Alaska;

(H) Northwest Alaska;

(I) the Arctic Slope;

(2) a representative of the Department of Housing and Urban Development;

(3) a representative of the Alaska Housing Finance Corporation;

(4) a representative of the Alaska Craftsman Home Program;

(5) a representative of the Energy Rated Homes of Alaska Program;

(6) a residential real estate appraiser;

(7) a building official employed by a municipality; and

(8) a registered architect or engineer with experience in energy efficient building design and construction techniques.

(b) A member appointed to the advisory committee established in (a) of this section serves a three-year term.

(c) The advisory committee appointed under (a) of this section shall assist the commissioner in the preparation of the thermal and lighting standards and, after initial adoption of the standards, review the standard every two years and make recommendations to the commissioner regarding appropriate changes.

(d) Before making appointments to the advisory committee, the commissioner shall solicit nominations from the Alaska State Homebuilders Association for those regions in which the association has an active local association or chapter.

Sec. 46.11.048. STANDARDS TO BE REASONABLE. In developing the thermal and lighting standards under AS 46.11.040, the commissioner, in consultation with the technical advisory committee established under AS 46.11.045, shall ensure that incremental costs attributable to meeting the standards bear a reasonable relationship to the energy cost savings resulting from the energy efficiency investments.

* Sec. 8. AS 46.11.900 is amended to read:

Sec. 46.11.900. DEFINITIONS. In this chapter

(1) "alternative energy system"

(A) means a source of thermal, mechanical, or electrical energy that [WHICH] is not dependent on oil or gas or a nuclear fuel for the supply of energy for space heating and cooling, refrigeration and cold storage, electrical power, mechanical power, or the heating of water;

(B) includes

(i) an alternative energy property as defined by [SEC. 48(1)(3)(A) OF THE INTERNAL REVENUE CODE (] 26 U.S.C. 48(1)(3)(A) [)]; and

(ii) a method of architectural design and construction that [WHICH] provides for the collection, storage, and use of direct radiation from the sun; [AND

(iii) REPEALED]

(2) "department" means the Department of Commerce and Economic Development;

(3) "energy audit" means a determination and written summary prepared under 42 U.S.C. 8216(b) [42 U.S.C. 8216(b)(1)(A), (SEC. 215, P.L. 95-619, NATIONAL ENERGY CONSERVATION POLICY ACT)] of

(A) the energy consumption characteristics of a building, including the size, type, and rate of energy consumption of major energy consuming systems of the building and the climate characterizing the region where the building is located; and

(B) the energy conservation and cost savings likely to result from appropriate energy-conserving maintenance and operating procedures and modifications, including the purchase and installation of energy-related fixtures; for purposes of this subparagraph when a fossil fuel is the energy source, the energy

cost savings shall be determined with reference to the projected price of that fossil fuel over a 10-year period;

(4) "financial institution" means a bank, trust company, savings bank, savings and loan association, or credit union;

(5) "life-cycle cost" means the total cost of owning, operating, and maintaining a building over its useful life, including its energy and fuel costs, determined on a basis of a systematic evaluation and comparison of alternative building systems, except that in the case of leased buildings the life-cycle cost shall be calculated over the effective remaining term of the lease;

(6) [~~"NEW BUILDING" MEANS A BUILDING THE CONSTRUCTION OF WHICH BEGINS AFTER DECEMBER 31, 1980;~~

~~(7)~~] "public building" means a building owned or controlled and held by the state for government or public use;

(7) [~~(8)~~] "state financial assistance" means a loan, grant, guarantee, insurance, payment, rebate, subsidy, or other form of state assistance other than aid under AS 05.35.010 - 05.35.070, AS 14.11, and AS 29.60, including the purchase by a state agency of a loan to finance the construction or purchase of a [~~NEW~~] residential [~~, COMMERCIAL, OR INDUSTRIAL~~] building;

(8) [~~(9)~~] "thermal and lighting energy standards" means the thermal and lighting energy standards

(A) established by the American Society of Heating, Refrigeration, and Air Conditioning Engineers as revised

(i) [~~(A)~~] by the commissioner of transportation and public facilities under AS 44.42.020(a) for public facilities; or

(ii) [~~(B)~~] by the commissioner of community and regional affairs for buildings and structures that are not

public facilities; or

(B) developed in regulations adopted

(i) by the commissioner of transportation and public facilities under AS 44.42.020(a) for public facilities; or

(ii) by the commissioner of community and regional affairs for buildings and structures that are not public facilities.

* Sec. 9. APPLICATION OF THERMAL AND LIGHTING ENERGY STANDARDS TO PROGRAMS FOR RESIDENTIAL HOUSING THAT IS CONSTRUCTED OR PURCHASED WITH STATE FINANCIAL ASSISTANCE. Persons responsible for administration and management of programs in which state assistance is provided for the purchase or construction of residential buildings are encouraged to adopt and enforce the compliance standards and methods of AS 18.56.096(c)(2), added by sec. 2 of this Act, within the housing programs for which they are responsible.

* Sec. 10. ELIGIBILITY OF PERSONS FOR STATE INCENTIVE PAYMENT. (a) A person who initiates and completes construction of a residential building after the effective date of this Act and before January 1, 1992, qualifies for payment of $1,500 from the Department of Community and Regional Affairs if the person demonstrates, to the satisfaction of the commissioner, that

(1) the residential building meets or exceeds the thermal and lighting energy standards; or

(2) the residential building meets or exceeds the building code of a municipality and the standards for thermal and lighting energy of the municipal building code meet or exceed the thermal and lighting energy standards.

(b) The Department of Community and Regional Affairs shall

(1) adopt regulations to implement this section;

(2) from legislative appropriations made for the purpose, make the payments required to persons who qualify under (a) of this section.

(c) In this section,

(1) "commissioner" means the commissioner of community and regional affairs;

(2) "thermal and lighting energy standards" has the meaning given in AS 46.11.900(8), as amended by sec. 8 of this Act.

* Sec. 11. Section 10 of this Act is repealed January 1, 1992.

* Sec. 12. This Act takes effect immediately under AS 01.10.070(c).

Sunday Business E
Anchorage Daily News Sunday, February 1, 1987

Living in the mistakes of the past

Houses are slums after only 10 years

By HAL BERNTON
Daily News reporter

ST. MICHAEL — When the west winds bring a blast of chill Siberian air to the island village of St. Michael, Leo Kobuk huddles indoors and tries to keep his family warm. He tacks a blanket across the back door, puts an electric heater in his bedroom and turns his fuel-oil stove up full blast.

In the worst of the winter cold snaps, when the outside temperature may dip below minus 30, Kobuk still can't muster enough heat to keep his house comfortable. Frost forms along the living room wall, ice coats electrical sockets and water may freeze when spilled on the kitchen floor.

In warmer weather, Kobuk has other problems to contend with.

Snow that drifts into to the eaves melts and trickles down through walls and the kitchen ceiling. As summer approaches, the permafrost beneath his house begins to thaw, the wood foundation heaves and his floor begins to move in strange ways. Kobuk used to level the house by jacking it up and adjusting the wooden support blocking. But the jacks never did the job. They raised the middle of the house, but left the sides sagging.

Kobuk's three-bedroom box house is one of 500 housing units financed 10 years ago by the federal government in 13 Bush villages. Designed by architects of the federal Bureau of Indian Affairs, each house was identical to the next — rectangular red, yellow and green-painted boxes of siding, plywood flooring and metal roofs.

A decade after their completion, many of the houses are falling apart. Floors are rotting, joists separating and some houses are in danger of sliding off their foundations. Kobuk can shove a knife blade through the cracks along the base of his living room wall.

"When they were building

See Page E-2, ALASKA 500

Andrew and Esther Ortiss stand in front of their old house, left, and their new home.

Anchorage Daily News/Bob Hallinen

Designers slowly learn how to build housing in the Bush

By HAL BERNTON
Daily News reporter

ST. MICHAEL — From the outside, the house looks quite ordinary — boxcar shape, stilt-like foundation and metal roof. Only a fresh coat of yellow paint distinguishes it from much of the other Native housing built in the western Alaska village.

But step inside on a sub-zero, mid-winter day. With the aid of a small fuel-oil furnace, the house stays warm. No ice on bedroom walls. No frost inside the windows. No huge heating bills. To St. Michael villagers, this house — just completed in December — seems like a major step up.

"Everybody in town, they look at this and say, 'where were these houses 12 years ago?'" said Albert Washington, St. Michael's mayor.

The St. Michael home is an example of a new wave of federal housing in the Bush — better designed and better insulated than predecessors built in the 1970s. Although not without problems, the new dwellings are helping improve the tattered reputation of federal Native housing projects in rural Alaska. These projects offer villagers the chance eventually to take title to the houses through monthly payments. The size of the payments is pegged to their income.

Daily News map

A decade ago, many of the Native houses built in Alaska proved better-suited for milder Lower 48 climes. Nearly a thousand dwellings — low-budget affairs put together with the aid of of villagers who often lacked construction skills — went up throughout western and interior Alaska. Housing materials were of poor quality. Foundations ill-designed. Hundreds of the homes now seemed destined for early obsolescence.

Today, the permafrost and intense cold of the far north still pose formidable construction challenges. But in a long and sometimes painful learning process, designers are figuring out ways to build better Bush housing.

The St. Michael house, a prototype developed by Phil Kaluza, a Nome builder, features a double outer wall stuffed fat with insulation. Triple-pane windows — made by a Fairbanks manufacturer — help keep warm air trapped inside. When the air gets stale, a heat exchanger sends the air outside and draws in fresh air. The furnace, controlled by a computer sensor, is nearly twice as energy-efficient as old-style systems installed in many of the neighboring houses.

Design Lab Inc., an Anchorage-based architectural firm, also has worked to improve the quality of Bush projects. During the past decade, it has designed about 1,500 houses for regional housing authorities funded by the federal Department of Housing and Urban Development. In the Interior, it has created Indian homes of log. In the Yukon-Kuskokwim Delta, houses feature 10-inch-thick walls and heavily insulated floors and ceilings. In Southwest, the firm has experimented with a double-walled structure.

Foundation systems also have changed. A decade ago, house sites often were flat spots bulldozed out of the tundra. With the protective insulation of the vegetative layer stripped away, these sites turned to bogs in warm weather. Houses built on these sites tended to lean on their pads as the wooden support system sank into the softened ground.

Since then, two different tacks have been taken to deal with the permafrost. Some designs call for metal pilings to be driven through the permafrost layer and into solid ground. Others designs leave the tundra intact, then insulate with special synthetic pads and gravel whenever possible. The wood foundations are built on top of this cover. Each year, as the ground settles, they are leveled with jacks.

Federal officials who fund the housing projects view the new designs with cautious optimism. Many of the cold problems that plagued the '70s-vintage houses have been vanquished. But in the process of curing old problems, new ones have arisen.

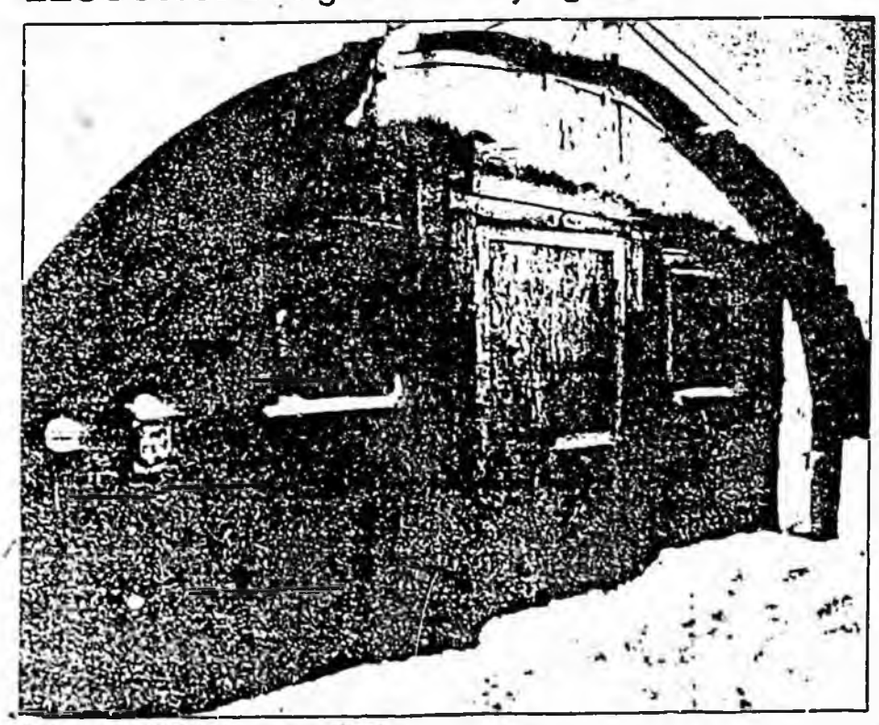
About 800 of the more than 3,000 late-model project houses have major design problems the federal government is spending $8.4 million to repair, said Miller Lutton, director of HUD's Alaska housing program. These houses are scattered about more than 40 Alaska villages.

"If you counted the number of innovative houses that have been tried in Alaska, you could count over 100," Lutton said. "Many appear to be successful. But you got to put them out there for a while."

Almost all of the new hous-

See Page E-3, LESSONS

LESSONS: Designers slowly figure out how to build houses in the Bush



An abandoned building in the Lousetown area of Bethel

Continued from Page E-1

es are perched up off the ground on wooden stilts. To keep cold air from blowing up underneath the house, some weatherization teams and home buyers have put particle board skirting around the stilts. The skirting not only keeps out the cold air, it holds in the warm. In some soils, that may cause the permafrost to melt. Once that happens, some foundations have begun to sag and tell destruct, Amaya said.

Even when design problems are overcome, houses still may not meet early expectations. Most of the houses now are built by contractors, and housing authorities are finding they need tough quality control to make sure the jobs get done correctly.

In a recently completed housing project in Scammon Bay, for example, Felix Grant, a villager who worked on the project, says construction crews rushed through the job. They didn't nail down all the walls and left some wood supports out from under some floors.

When Grant moved into his new house, he found the vinyl floor unraveling and soaked with fuel oil. "There are lots of problems," Grant said. "The whole plywood floor should come out where it's soaked with fuel oil."

John Gwinn, director of the Association of Village Council Presidents, the Bethel based housing authority that developed the Scammon Bay project, says he's aware of some problems with new houses. The contractor has been asked to go back and fix them, he says.

Gwinn also has been working to get village home buyers to take care of more of their routine maintenance. In theory, when a toilet plugs up, a window breaks or the house needs a fresh coat of paint, the home buyer is to be responsible for repairs.

But home buyers often lack the inclination or the skills to do such work. And their villages often have no hardware stores to supply parts. Many look at the housing authorities as landlords, whose staff should fix whatever goes wrong.

Since the late '70s, Gwinn says his Bethel housing authority has built more than new 800 houses in Kuskokwim-Yukon Delta villages. But the program still has fallen far short of meeting all the needs in his region for low income housing. "There are 54 villages in the area, and there are a lot left that haven't had any housing."

More than 10,000 houses are needed in the Bush, Amaya said.

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>
> — Miller Lutton

Ice be dammed

By ANN CHANDONNET
Times Writer

Poor insulation causes buildup

Masses of glistening icicles catching the winter sun may remind you of Norse myths, snow queens and fantasy.

But to a homeowner, they're more bothersome than beautiful.

A dense string of icicles at the eaves, hanging like gleaming stalactites to the ground, indicates inefficient heating, heat loss and poor insulation. Other signs of the same problem include spots on the roof that are completely bare of snow, and a pattern of trusses or roof supports visible in the frost.

Alaska, land of skis and sled dogs, seems an unlikely place for heat-inefficient dwellings, but examples are everywhere — and especially easy to spot at this time of year. The lumps of ice that accumulate along the cold edges of the roof are called "ice dams," and they're just one symptom of the problem.

Growing concern for waste of natural resources is causing many Alaska homeowners to take a new look at the ways they use energy. And one of those looks should be an appraising one cast at the roof. A heavy snowfall obscures the problem for a while, but within a few days the telltale indicators show up to tell homeowners (and their neighbors) that money and heat are being squandered through heat leaks.

Poor insulation causes ice dams to form. When heat is allowed to seep upward into the roof sheeting and covering, it causes the snow on the roof to melt. As water runs downward to the edge of the roof, it refreezes. Drainage continues, and a pool of water accumulates on the upslope side of the dam. The water pool then often leaks back through the roof and is absorbed into the insulation, sheetrock and, finally, the walls. If the problem is not corrected, the interior can suffer thousands of dollars worth of damage.

Stained ceilings, browned plaster, peeling wallpaper and paint or mold in the corners are typical energy-leak indicators in local homes. As temperatures rise outside after the annual January-February cold snap, these eyesores routinely appear.

Where does all this moist[illegible]om [illegible]? Although Alaska has a dry climate compared to, say, [illegible] or Hawaii, most homeowners do not realize how much dam[illegible]g [illegible]ated by the household each day. Plants, showers, cooking, respiration and perspiration produce 5 to 8 gallons a day in vapor form, says energy expert Steve Baden of Anchorage.

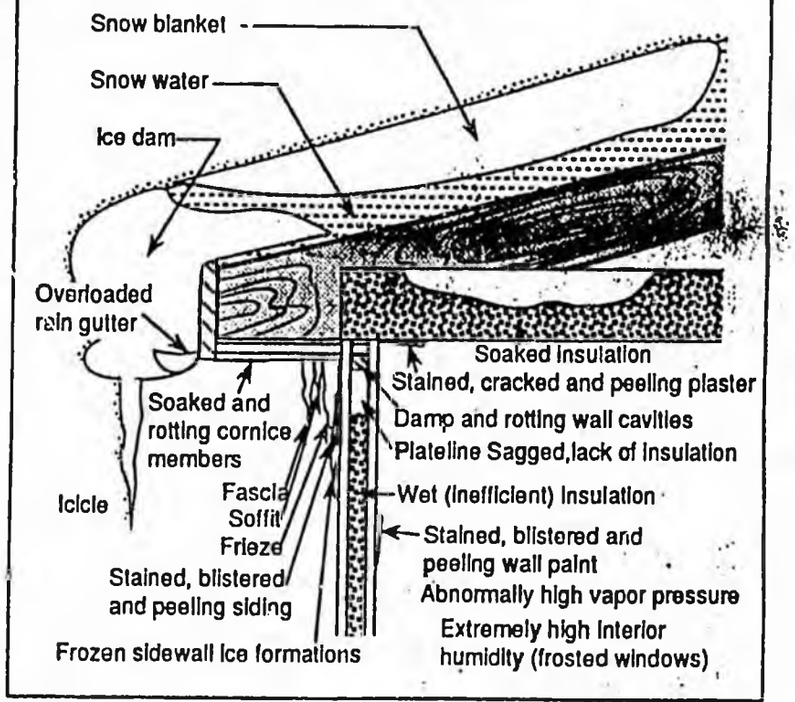
During the dry winter, the house tries to equalize climates between inside and outside by forcing moisture out. If the water cannot escape and freezes in the crawl space, it may later thaw and fall down into the living room, ruining the ceiling.

Steve Baden is chief of energy programs for the Alaska Department of Community and Regional Affairs. He has been in the energy conser-

See Ice dams, page E-2

Common and costly ice damages

This diagram shows both the ice dam and its damages. All the damages illustrated here are far more common and costly then are generally acknowledged.



Source: University of Minnesota, Times graphic by WIT TUTTELL

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

Sunday Business E
Anchorage Daily News Sunday, February 1, 1987

Living in the mistakes of the past

Houses are slums after only 10 years

By HAL BERNTON
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"When they were building

See Page E-2, ALASKA 800

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Designers slowly learn how to build housing in the Bush

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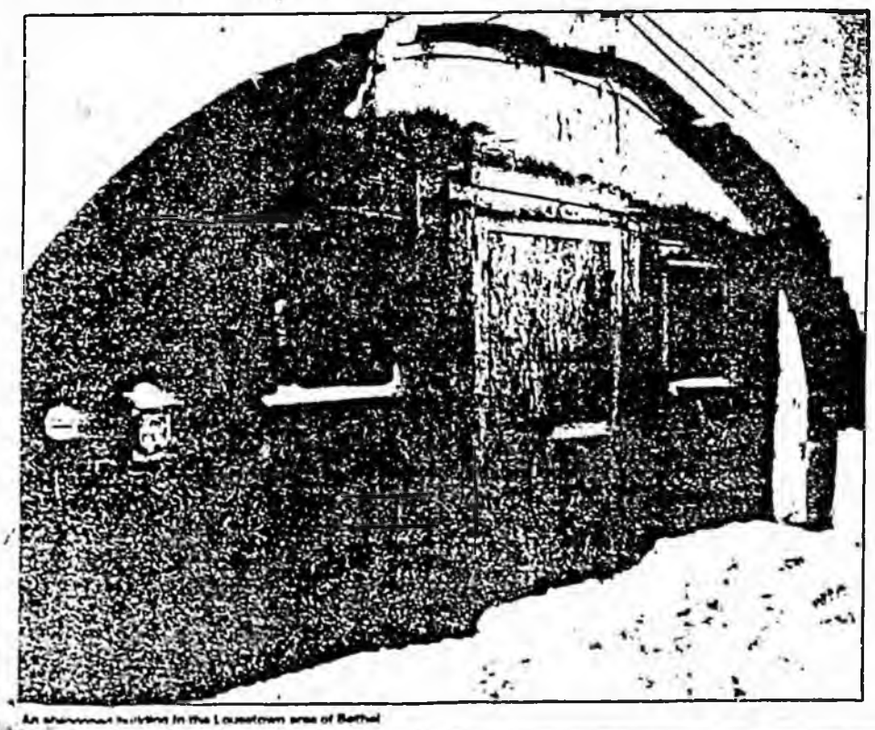

An abandoned building in the Lousetown area of Bethel

Continued from Page E-1

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ALASKA 500: 10-year-old federally financed houses now falling apart

Continued from Page E-1

these houses. They were thinking of the Lower 48," says Kobuk's wife, Katherine. "They are not built for Alaska."

Andrew and Esther Otten, the Kobuks' neighbors, have caulked up most of the cracks in their inside walls. But on a blustery day, the wind still freezes the moisture to the living room paneling.

The Ottens hung up a tapestry in the house proclaiming "Home Sweet Home." But Andrew Otten said he sometimes has second thoughts about the federally financed housing.

"My old house used to be warmer. It had two rooms and it didn't use that much oil."

The Alaska "500 homes" now hold an infamous niche in the history of a gargantuan federal effort to bring modern housing to Alaska's villages. The federal Department of Housing and Urban Development — working largely through regional housing authorities — has spent more than $500 million to build more than 4,500 houses in rural Alaska.

The program has sought to improve the living conditions of Alaska Natives by moving them out of overcrowded shacks and cabins and into more spacious, better-built housing. Wherever possible, the houses were hooked up to new sewer and water systems developed by the Public Health Service. Villagers then became home buyers obligated to make modest monthly payments that eventually allow them to take title to their houses.

Today, the program is nearly 20 years old and has replaced much of the ramshackle old housing in the Bush. By many yardsticks, it can be measured as a success.

In recent years, architects have adapted innovative insulation systems, foundation designs and construction techniques to create a new generation of public housing. Some of these homes suffer from design defects, but most are better able to withstand the rigors of Alaska's permafrost and sub-zero cold than the early housing of the 1970s.

As overcrowding has decreased, the incidence of tuberculosis, once a major killer, has declined. And life expectancies have increased. Better housing has helped slow the rural migration to cities. In many villages, populations have stabilized or begun to increase, said Miller Lutton, director of the federal housing program in Anchorage.

But the program has a mixed legacy. In learning how to build good housing, the government has financed a lot of bad. And many people are still living in the mistakes of the past, saddled with sagging foundations and fuel bills they can ill afford to pay.

Kobuk says he uses more than $250 a month worth of fuel — three-and-a-half 55-gallon drums of oil — during the worst of the winter cold. Federal assistance pays only part of the bill.

Rafael Afcan, an aging carpenter living in another federally financed house in St. Marys, a Yukon River village, says his fuel bill leaves him with little money for groceries. "Sometimes, it's a question of paying for heat or paying for food."

All told, the problem houses include about a 1,000 houses built between the late '60s and the late '70s representing about a fifth of the total federal project units. These houses are riddled with design and construction flaws. Some have been abandoned or razed to make way for replacements; the rest still are inhabited.

Some of the worst housing is in St. Michael and several other western Alaska villages. Here, more than 40 percent of the housing is of the Alaska 500 vintage. Many of the houses "are in danger of collapse or self-destruction," wrote Dan Harrelson, executive director of the Bering Straits Housing Authority, in a 1984 report to federal officials.

Harrelson listed faulty wiring, foundations sliding off their earthern pads, deficient insulation, mildew and rot among the houses' many problems.

Villagers, disappointed with the quality of the homes, joined with other Alaska 500 homeowners in a class action suit against HUD for failure to deliver on its promise of a "decent home in a suitable living environment."

In a recent out-of-court settlement, the agency offered to try to repair most of the design and construction defects of the Alaska 500 homes. As an alternative, a villager could simply take title to his home, as is.

Most villagers chose to take the house and forget about the costly fix-up job. "I decided it would take years to get any of the repairs done," Kobuk said.

Andrew and Esther Otten in their home in St. Michael

The federal housing program in the Bush was launched in the mid-'60s as national efforts to attack poverty in America reached a fever pitch. East Coast journalists trekked to Appalachia, the Midwestern ghettos and the Southern farm belt to profile the plight of the poor. Then, in the summer of 1968, Homer Bigart, a New York Times reporter, reached Alaska, and proclaimed the Kuskokwim-Yukon Delta the poorest place in the nation.

"The worst slums in the United States are not in racially turbulent quarters of New York, Cleveland, Chicago or Los Angeles," Bigart wrote. "By all available indices of poverty, they are sparsely strewn, like garbage on an ice floe, along the nation's desolate sea frontier with the Soviet Union."

The Eskimos that Bigart encountered had largely abandoned traditional homes of sod, driftwood and whale bone in favor of small log cabins and shacks of plywood, tarpaper and tin. Subsistence foods, not measured in standard poverty indices, helped make up for a lack of cash to buy groceries. But diet alone could do little to combat the diseases that ran rampant in the cramped, overcrowded housing.

In Kuskokwim Delta villages, 12 out of every 100 babies died before age 1. Tuberculosis, introduced decades earlier by whites, was a major killer of Eskimo and Indian adults. The Natives had a life expectancy one-half that of the average American.

Two years after Bigart's report, a Senate subcommittee led by Sen. Ted Kennedy, D-Mass., arrived in Bethel to tour a dilapidated section of riverside property known as Lousetown. The area was such a mess that several senators didn't even want to get off the bus, recalls Gene Pamplona, a Bethel resident who accompanied the senators. Kennedy, followed closely by Sen. Walter Mondale, D-Minn., disembarked, gingerly walked up to a garbage dump and discovered a dead dog, frozen to the ground.

Finishing his tour, Kennedy vowed to build new housing in Bethel. Within months of his return to Washington, the money was in the pipeline.

The first federal funds flowed to the Alaska State Housing Authority, which quickly launched a series of village housing programs. In many cases, these houses "began to deteriorate within moments of the last nails being driven," wrote one ASHA official in a memorandum forwarded to Alaska Sen. Ted Stevens. "The common complaints ... consist of ceiling tiles coming apart; frost accumulating six feet high on the walls; cabinets coming off the walls; sagging, buckling ..."

Instead of winning Bush support for its housing programs, ASHA was hit with class action lawsuits filed by Alaska Legal Services lawyers. ASHA ended up giving away 200 of the houses to homeowners. Another 360 homeowners, in a settlement funded by the federal government, obtained new houses.

These fiascos convinced ASHA that it wanted no part of any new Bush housing projects. "It has been said that even if ASHA could walk on water, it would nonetheless drown in the Bush areas, ..." the ASHA official wrote. "... The animosity of the purchasers towards ASHA ... as a result of these programs is immense. These people feel that they have been lied to and that representations have been made that were not kept."

Despite ASHA's withdrawal from the Bush, the federal pipeline of housing dollars kept flowing. In 1975, it reached north to St. Michael. Back then, many St. Michael villagers lived in cabins and shacks left over from the boom days of the Gold Rush. During the early 1900s, St. Michael was a town of more than 10,000 people, the major port of entry for goods bound to the gold fields of the upper Yukon.

After the Gold Rush, most of the whites left. By the time the federal housing project began, St. Michael's population had dwindled to less than 400, mostly Eskimos. For lodging, some lived into the old log dwellings left behind by the Army; others had pieced together plywood and tarpaper shacks.

The St. Michael project was an attempt at self-help housing: home buyers themselves would build the houses and would be paid for at least part of their labor. To ensure quality housing, the Bureau of Indian Affairs was appointed to develop designs and supervise construction. Regional housing authorities were created to administer the program.

The program, which encompassed 500 houses in 19 villages, may have looked good on paper, but it unfolded in a chaotic series of events. Most of the houses, pre-cut into piece-together packages by an Oregon manufacturer, were barged north in the summer of 1975. One of the barges sank in the Bering Sea. The rest of the houses arrived safely in the villages.

In the frenzied months of construction, there proved to be scant time for quality control. The villagers proved largely unskilled in home building. And in some regions, feuds between the BIA and regional housing authorities prevented inspectors from ever setting foot in the villages.

At many sites, the fragile layer of tundra that helps keep the permafrost cool was stripped away to prepare for the wood foundation pad. That meant the permafrost would melt, turning into a soggy bog when the temperature warmed. Insulation and plywood were soaked by the rain, then slapped into the homes. The wet insulation lacked heat-retention value, and the plywood gradually rotted.

Poor-quality materials and design problems compounded the errors of faulty construction. The windows, for example, even if installed properly, let in lots of cold air. The fiber board cabinets were made cheaply. Even when nailed firmly to the walls, they tended to self-destruct. Tops fell off drawers and doors off shelves.

Still, when the homes finally were finished, people were eager to move in, recalled Albert Washington, mayor of St. Michael. "First cold weather we got, everyone was excited. They thought they were going to be warm. Then they found out how cold the homes were. The kitchen stoves couldn't even begin to heat the homes."

One hundred miles to the south, along the bluffs overlooking the Andreafsky River, 20 St. Marys villagers were moving their families into new homes. Today, those homes are in much the same battered shape as those in St. Michael.

Therese Mike, mother to 11 children, lives in a house where the interior walls have separated from the roof. The gap between the two is wide enough to stick a fist through. Her kitchen pipes leak, so most of the time she keeps the water turned off. Her hot water heater broke down years ago, so none of the kids ever takes baths in the tub. The house's foundation needs to be shored up.

Mike is a big woman who wears a long dress and floral aprons. She prefers to speak in her native Yupik, but will switch to English for a visitor.

She says her husband is in jail, so she is raising her family alone.

In December, she heard news of the new settlement reached by home buyers with the federal government. Since then, she's been mulling over her options. Should she get the house fixed by the government and continue her $70-a-month payments? Or should she opt for no renovation, but title free and clear to the house?

It would be nice to get the house fixed up, she says. But she isn't sure she can afford that option. At times, she hasn't been able to come up with the monthly payments and has been threatened with eviction.

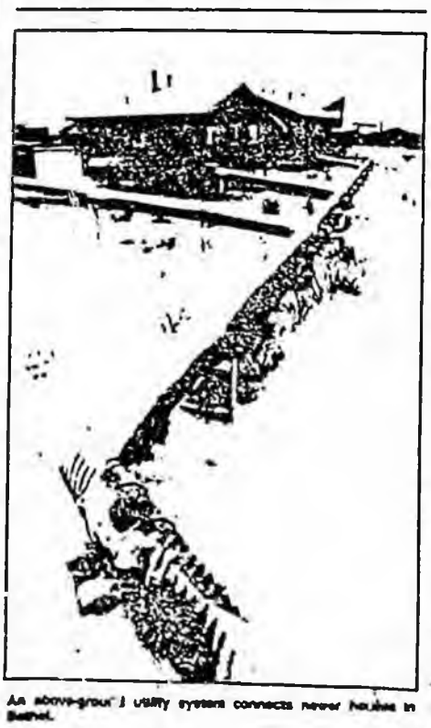
Perhaps it's best to take title to the house, she says. Repairs can await another day.

To date, all but a handful of the Alaska 500 homeowners have chosen to settle the suit by foregoing repairs and taking title to the houses.

That choice troubles Andrew Pitka, mayor of St. Marys. He doesn't see much hope for the Alaska 500 in his town without a lot of work. "If they keep shifting, they won't withstand another 10 years. We'll have to tear them down and rebuild."

The cabinets in Therese Mike's home in St. Marys are coming apart.

Daily News photos by Bob Hallinen



An above-ground utility system connects newer houses in Bethel.

Home/Family

Ice be dammed

By ANN CHANDONNET
Times Writer

Poor insulation causes buildup

Masses of glistening icicles catching the winter sun may remind you of Norse myths, snow queens and fantasy.

But to a homeowner, they're more bothersome than beautiful.

A dense string of icicles at the eaves, hanging like gleaming stalactites to the ground, indicates inefficient heating, heat loss and poor insulation. Other signs of the same problem include spots on the roof that are completely bare of snow, and a pattern of trusses or roof supports visible in the frost.

Alaska, land of skis and sled dogs, seems an unlikely place for heat-inefficient dwellings, but examples are everywhere — and especially easy to spot at this time of year. The lumps of ice that accumulate along the cold edges of the roof are called "ice dams," and they're just one symptom of the problem.

Growing concern for waste of natural resources is causing many Alaska homeowners to take a new look at the ways they use energy. And one of those looks should be an appraising one cast at the roof. A heavy snowfall obscures the problem for a while, but within a few days the telltale indicators show up to tell homeowners (and their neighbors) that money and heat are being squandered through heat leaks.

Poor insulation causes ice dams to form. When heat is allowed to seep upward into the roof sheeting and covering, it causes the snow on the roof to melt. As water runs downward to the edge of the roof, it refreezes. Drainage continues, and a pool of water accumulates on the upslope side of the dam. The water pool then often leaks back through the roof and is absorbed into the insulation, sheetrock and, finally, the walls. If the problem is not corrected, the interior can suffer thousands of dollars worth of damage.

Stained ceilings, browned plaster, peeling wallpaper and paint or mold in the corners are typical energy-leak indicators in local homes. As temperatures rise outside after the annual January-February cold snap, these eyesores routinely appear.

Where does all this moisture come from? Although Alaska has a dry climate compared to, say, New England or Hawaii, most homeowners do not realize how much damp is generated by the household each day. Plants, showers, cooking, respiration and perspiration produce 5 to 8 gallons a day in vapor form, says energy expert Steve Baden of Anchorage.

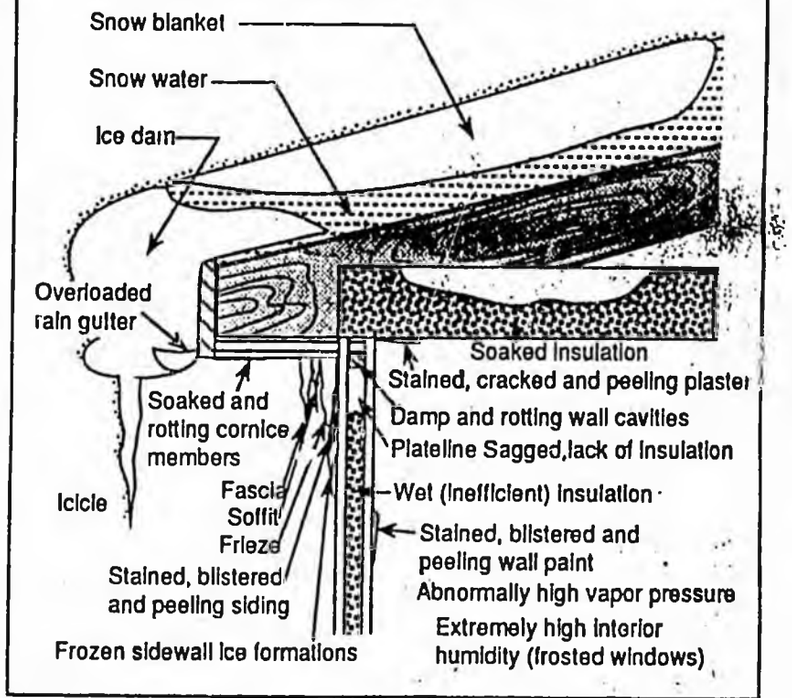
During the dry winter, the house tries to equalize climates between inside and outside by forcing moisture out. If the water cannot escape and freezes in the crawl space, it may later thaw and fall down into the living room, ruining the ceiling.

Steve Baden is chief of energy programs for the Alaska Department of Community and Regional Affairs. He has been in the energy conser-

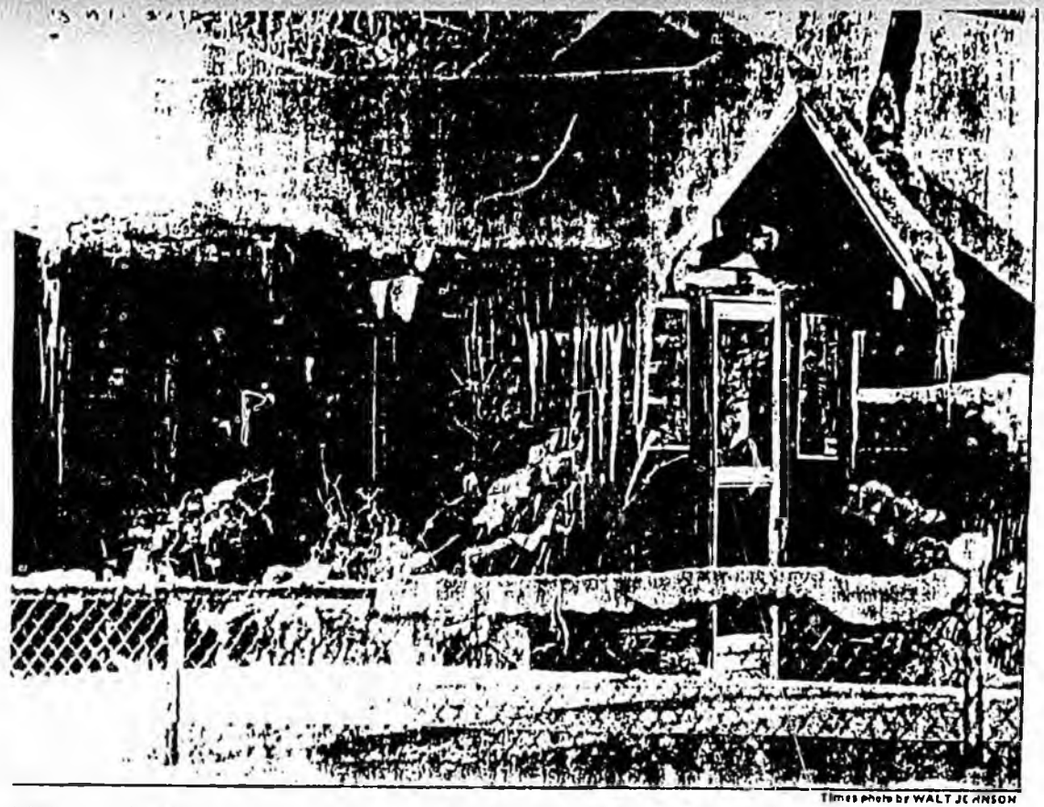
See Ice dams, page E-2

Common and costly ice damages

This diagram shows both the ice dam and its damages. All the damages illustrated here are far more common and costly then are generally acknowledged.



Source: University of Minnesota. Times graphic by WIT TUTTELL



Times photo by WALT JOHNSON

ful glistening icicles you see lining the eaves of some homes actually are a sign of poor insulation.

vation field for 10 years.

"Ice dams are a big problem around Anchorage," Baden says, "and they don't necessarily have to be. By taking care in the initial construction of the home,you can do things to prevent the situation. What you see when you see an ice dam is a symptom — not the problem itself," he stresses. "One of three things is happening, or a combination. The basic problem is that the roof is hot, and the heat is melting the snow. As the water hits the edge, which is cold, it's freezing and backing up." This means the roof is under-insulated, says Baden. Occasionally, the roof truss will be too low and the contractor was unable to insulate the side of the truss properly.

"When you can see the trusses outlined in the frost, which means the trusses have more insulating value than the actual insulation, this shows significant heat loss," Baden says.

However, ice dams can also appear at the edges of roofs that are properly insulated, "but because the vapor barrier wasn't properly installed, the insulation has become wet and lost its insulating value."

A third cause of an ice dam is that there is insufficient ventilation in the attic or crawl space to dissipate what heat makes it through the ceiling insulation, Baden says.

"Some heat will escape, no matter what," says Baden. "And you must have enough ventilation in the attic to take that heat and dissipate it so it won't warm the roof. Otherwise, your hard-earned dollars are going out in melting snow."

The key to energy efficiency is "doing it right the first time," advises Baden. This would be easier if Alaska had different building codes. "Alaska is one of the only states in the country without energy standards for insulation," adds Baden, "even though we have the highest cost of energy and the coldest temperatures."

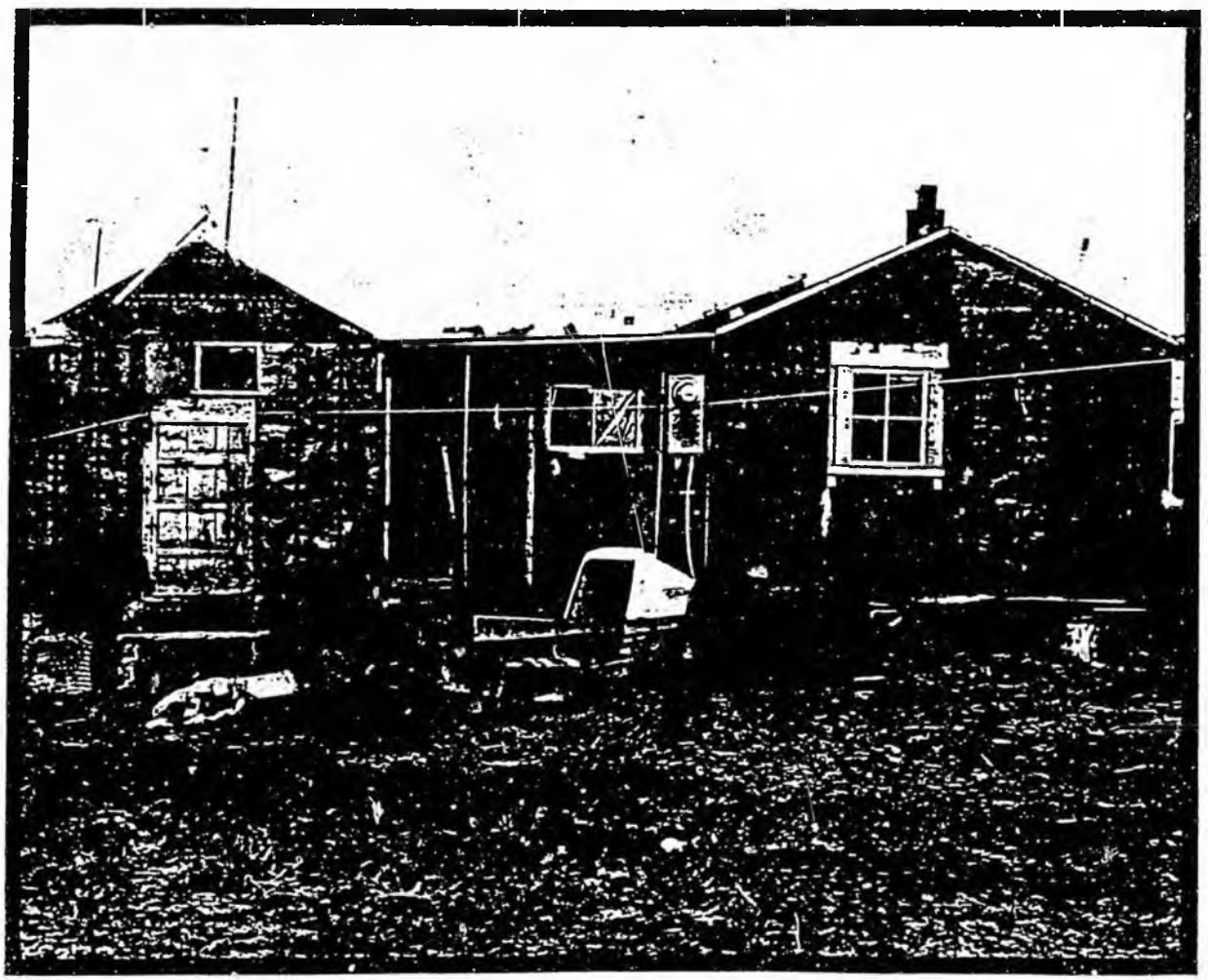
Existing Anchorage building codes have a standard of R30 in the roof and R19 in the walls. This standard has been proposed as a state standard, says architect Stuart Brooks. The state proposal includes "a proper vapor barrier, proper ventilation both in the living area and the attic. It would be necessary to have a raised truss in the eave, more raised than current building standards," Brooks said, "to allow for insulation."

Even if adopted, this proposal would be limited in effect because it would apply only to homes that are state-financed, Brooks points out. "The new standard is held up in the courts, but House Bill 358 would address this technicality." There would solve only part of the energy efficiency problem because there would still be no proper standard for homes that are not state financed and existing homes would not be addressed, Brooks and Baden concur.

The Department of Community and Regional Affairs, energy conservation section, advises homeowners of some steps they can take to right existing construction wrongs:

- The condensation problem is worse in rooms with high relative humidity — like bathrooms. Paint the ceiling with Glidden Insul-Aid, or install a polyethylene vapor barrier and replace the ceiling.
- Condensation of ice or snow buildup on the inside of, or between, windows is another sign of energy waste. Quality windows combined with proper weatherstripping or caulking can often solve this problem.
- Drafts due to cracks around doors and window jambs can also be minimized with weatherstripping and caulking.

1988 Rural Housing Needs Assessment Study



DOYON Region - Photo by Rob Stapleton, Jr.

State of Alaska
Steve Cowper, Governor

Department of Community
and Regional Affairs
David G. Hoffman, Commissioner

Submitted in fulfillment under contract 88-0137 to the
Alaska Department of Community and Regional Affairs

by

Rural Alaska Community Action Program (RurAL CAP)
ASK* Marketing Information Search
Alaska Public Interest Research Group (AKPIRG)

March 1988

HOUSING PHYSICAL CONDITION BASED ON INSULATION

In the following table, percentages of houses with attics and walls of different R-values are listed by region. R-values refer to the level of insulation. One inch of batt insulation is approximately equal to R-3. For example, R-38 is equivalent to 12 inches of batt, and R-19 is equivalent to 6 inches of batting.

Insulation Levels in Percentages:

	Attic					Walls		Can't Maint
	R<R11	R<R19	R<R22	R<R30	R<R38	R<R11	R<R19	70 deg F
Ahtna	15%	51%	78%	80%	96%	22%	69%	56%
Aleut	23%	36%	50%	65%	76%	23%	45%	16%
Arctic Slope	0%	6%	19%	36%	56%	1%	18%	37%
Bering Sts	14%	29%	89%	94%	97%	11%	41%	67%
Bristol Bay	14%	39%	76%	78%	90%	19%	52%	22%
Calista	3%	34%	68%	77%	77%	11%	78%	41%
Chugach	16%	26%	47%	56%	71%	20%	52%	15%
Cook Inlet	7%	22%	52%	71%	77%	10%	62%	12%
Doyon	4%	18%	47%	74%	79%	11%	65%	40%
Koniag	2%	11%	17%	18%	20%	3%	63%	27%
NANA	25%	25%	50%	50%	50%	1%	26%	72%
Sealaska	12%	55%	93%	95%	97%	15%	81%	41%
TOTAL	9%	29%	58%	69%	76%	12%	57%	36%

According to the 1986 Energy Conservation Standard For New Residential Buildings published by the State DCRA Office of Energy Programs, the minimum prescribed insulation requirement for ceilings is R-38, except in Arctic Slope where the ceiling requirement is R-52. The minimum prescribed insulation requirements for walls are R-21 in Sealaska; R-18 in Aleut, Chugach, Cook Inlet, and Koniag; R-25 in Ahtna, Bristol Bay, Calista, and Doyon; R-30 in Bering Straits and NANA; and R-35 in Arctic Slope.

Houses with attic R-values less than R-38 range from 71% to 97% in nine of the regions, and more than half of the houses in two more regions. Houses with wall R-values less than R-19 range from 41% to 81% in all but two region.

Anchorage Daily News
Thursday, September 14, 1989

Report says federal housing for Alaska Natives is a mess

By GEORGE FROST
Daily News reporter

A federal housing program for Alaska Natives is riddled with waste, and many of the homes built since 1975 are unsafe, substandard and ill-suited to harsh arctic conditions, according to a study released Tuesday by a federal housing inspector.

The program, administered by the Department of Housing and Urban Development, is so poorly run that it must be considered a failure, said Rich Nygaard, regional inspector general for the Department of Housing and Urban Development.

"Despite more than 14 years experience, HUD has not provided Alaska Natives with decent, safe or affordable housing. Design and construction defects, deferred maintenance and poor housekeeping continues to create safety and health hazards for Alaska families," he said.

Local HUD officials disagreed strenuously with many of the audit findings.

"We feel the audit report is completely flawed and does not cover what they said they were covering," said Arlene Patten, acting HUD manager of the Anchorage office. "It is based on a false premise and a misunderstanding of the program."

Patten said the audit focused on projects built in the late 1970s and early 1980s startup phase of the program and "does not show the substantial improvements."

"Since then, most of these things have been corrected and the homes are no longer substandard," she said.

"I think the program is trying to meet the need of the regional Bush people of Alaska, and without that program there would be no housing out there for them."

More than $300 million has been spent to build 3,290 single-family homes under the Alaska Mutual Help Home Ownership Program.

Please see Back Page, HOMES

Continued from Page A-1

The Alaska program, part of a nationwide Indian housing system, gives low-income Native families an opportunity to purchase their own homes. They pay whatever they can afford, and HUD makes the remainder of the loan payments.

Of all the homes built since 1975, more than six of every 10 have been either the subject of a lawsuit because of poor construction or have required extra HUD funding to correct those problems, according to the detailed, 141-page report.

An inspection of 207 of the 714 newer homes built since 1984 showed that almost all had serious problems. All 207 had defective foundations. Many of the homes rest on primitive pads that are unsuited for the fragile tundra, subject to summertime floods and fierce winter storms.

Fifty-seven had broken or deficient furnaces, stoves and other mechanical systems.

"In some projects, home and basic sanitary maintenance was quite limited and others nonexistent," the study said.

A series of inspections in villages throughout the Bush turned up numerous safety hazards: broken stairs and porches, tottering foundations, and electrical hazards from improperly installed lighting fixtures, the audit said.

Some families use Coleman camping stoves to cook their meals because their regular stoves are broken or they can't afford propane cylinders that fuel them. Others burn creosote-soaked driftwood for heating, another potential hazard.

Nine of 50 homeowners in one village reported that cracks in the flooring of their homes allowed winds to "enter with such force that it raises the vinyl flooring off the floor, creating an effect like walking on pillows."

And in wintertime, interior walls are sheathed in up to 4 inches of ice, the audit found.

HUD contracts with 13 different Indian Housing Authorities, most of them subdivisions of local government or Native corporations and agencies, to run the program.

William Nishamura, regional HUD administrator for Alaska, disagreed that a majority of homes are substandard. The audit ignored the complexities of building in the Arctic, he said. Building standards and materials are not yet perfected for Alaska.

Nishamura laid blame for many of the problems at the door of the Native housing agencies. Building sites are chosen by the Native agencies, which also provide the soils engineers, architects, planners and builders, he said.

A majority of problems cited in the report are caused by poor maintenance, not poor design or construction. And it is the responsibility of Native housing agencies to train homebuyers how to maintain their furnaces, stoves and foundations, not HUD's, he said.

John Guinn, executive director of a Bethel-based housing agency run by the Association of Village Council Presidents, agreed with many criticisms in the audit but said the program was not a failure.

"I disagree that it's not working. It's been very effective in providing housing for the needy. The program just needs somebody at HUD who is willing to stand up for what we need."

Guinn said the housing program operated at a furious pace in the early 1980s, and mistakes were made.

"A lot of it was finding a contractor who knew how to build in rural Alaska," he said. "And a lot of (housing) directors didn't have construction experience. We were playing catchup. I think our housing authorities built over 400 in one year.

"We were building so fast there would have been problems in construction and in HUD oversight."

In the early years of the program, homes were built to Lower 48 standards, he said. "There were not adequate furnaces, not adequately insulated. They (HUD) don't realize that when it's 30 below and blowing 100 outside you have got quite a wind-chill factor."

The Native housing agencies are repairing many of the problems and training families in basic maintenance, he said.

"They are all being repaired. We will authorize $25,000 or more per house for new furnaces, doors, insulation."

A problem that all concerned agreed on was a shortage of money for the program, and an unrealistic "cap" of $92,200 that can be spent for any one home.

That money must stretch to pay for "planning, architecture, a soils engineer, shipping, construction, everything," Guinn said. "In many cases in remote villages it is not enough to do the job, so at some point you have to cut corners."

"When you get out to some of these remote tundra villages, gravel is like gold," he said. "You can't afford to fly it in. A couple years down the road the house starts moving."

Guinn said that HUD signs off on every home that is built, and "someplace along the line I think somebody in the HUD system should have had the intestinal fortitude to say, this foundation won't work or this heating system isn't adequate."

2/9/90
Rep. Kay Brown

BUILDER AND HOUSING PROFESSIONAL COMMENT IN SUPPORT OF HB 358 - MINIMUM THERMAL ENERGY STANDARDS

AHFC has been committed to the development of energy standards for new construction. Staff members have been working with DCRA from the very outset. We served on the Advisory Committee which assisted in the development of the recommended standards.... We believe the standards are a necessity to help ensure a better housing stock for Alaskans as well as provide homeowners with the potential for lower fuel bills.

Tom Behan, Executive Director
Alaska Housing Finance Corporation

The Alaska State Legislature should enact legislation to restore clear legal authority for the implementation of appropriate minimum thermal standards, based on regional differences, for newly constructed state-financed housing.

Housing Policy Development Committee
Alaska Housing Market Council

At Anchorage Neighborhood Housing Services we have had many occasions to inspect housing units as part of our requirements for lending and in conjunction with our construction assistance programs. There exists a great need for improvement to minimum thermal standards in most of the existing housing stock in Anchorage.

Cynthia A. Parker, Executive Director
Anchorage Neighborhood Housing Services, Inc.

As a builder of energy efficient homes in the Fairbanks area for many years which without exception exceed the State Energy Standard, I feel that [HB 358] will tend to put conscientious Alaskan builders on an even playing field with the fly-by-night contractors from outside who don't know how to build in this environment and, in some cases, don't care.

Mike Musick
Ester Construction
Ester, Alaska

As a builder, I am intimately familiar with what it takes to build appropriately for the Alaska climate. I know we can do better for the people of Alaska than we have in the past.... My own building practices meet or exceed the State minimum energy standard. Other builders should be doing the same.

Ralph W. Brodin, Owner
EE/CC General Contractors
Girdwood, Alaska

During the past two years I have built several homes in the Homer area that meet or exceed HB 358's energy standards. I counsel every one that I build for that an energy efficient house is not only healthy and comfortable but also a good investment because of energy savings.

David Ellington
Ellington Construction
Homer, Alaska

As the American Institute of Architects/Alaska Chapter representative on the Advisory Committee for the [state standard] I was impressed by the participation of all Alaska building industry's sectors.... [The standards] are reasonable and reflect logical and climatic conditions for each region of the State.... Too often builders have sought short term practices through the use of inadequate building practices at the expense of long term operation and maintenance costs.

Robert Balivet, AIA
McGlothlin Balivet Co. - Architects & Planners
Anchorage, Alaska

I am an architectural designer and have been involved in the design and construction of several homes that exceed the minimum energy standards. I am very knowledgeable about the building science and practices that ensure a comfortable, healthy, and energy efficient home. I am also aware of the very slow pace in which the building trades adopt new methods and materials... In order to improve the comfort and quality levels of our housing stock, we simply need HB 358.

James A. Dory
Dory and Associates
Nome, Alaska

As a building official of a major Southeast Alaska community, I have been involved with the entire public development of the standards .... [The standards] are technically sound, reasonable in their scope and practical in their nature and application.

Harry Chartier, Building Official
City and Borough of Sitka

[T]he minimum insulation requirements between the proposed State of Alaska "Energy Standard" for gas heated dwellings in [the] Anchorage area and HUD's MPS [Minimum Property Standards] are nearly identical. The major differences between the two is the state proposes to quantify acceptable infiltration losses and ventilation requirements. We believe that this is a positive step in establishing building performance criteria.

Arlene Patton
U.S. Housing and Urban Development
Anchorage Office - Region X

[T]here must be some inducement to encourage builders to maintain certain standards since businesses tend to stay with the old easy less expensive methods. We are just finishing a new home built to meet or exceed ACHP [Alaska Craftsman Home Program] specs which are more stringent than the proposed State standards.

David T. Thompson
Fairbanks, Alaska

The lack of thermal standards in the past provides the Low-Income Weatherization Program here in the Fairbanks North Star Borough with a seemingly endless supply of rapidly deteriorating high-energy-use dwellings...in need of so much more than the [weatherization] program can provide that the measures often become a band-aid approach to a terminal wound.... There is no reasonable excuse to perpetuate the supply of inadequately constructed buildings.

Robert Maxwell
S.I.H., Inc. - Weatherization
Fairbanks, Alaska

The average homebuyer knows very little, if anything, about energy efficient home design.... Yet they will live in these homes and pay the bills for them ever after.... In our design practices we always strive to meet or exceed the State minimum energy standard. Other architects should be doing the same.

Ronald Bisset and Andrew Simasko
Architects Bissett/Simansko
Palmer, Alaska

I view this legislation [HB 358] as critical to the future of our states' building industry in that it will enable Alaska residents to finally receive thermal value in housing that is appropriate to the diverse climate zones of our great state. As a member of the National Association of Home Builders (NAHB) I am aware of attempts by many of our members to stall implementation of these standards and wish to clarify that there is not in any way a consensus to this effect.

Philip Louden
Arctic Technical Services
Fairbanks, Alaska

As a four year member of the Alaska Home Builders Association, I would like you to know that I support the Thermal Standards as written and their original intent. One of the reasons I especially liked the original implementation of the Alaska State Thermal Standards is they were not mandatory [and only apply to housing using] Alaska public funds.

C.R. Deer
Alaska Window
Fairbanks, Alaska

Even though the standards will eventually help the construction trades, the industry is taking a short-term viewpoint by delaying implementation.... [further delay] is really unnecessary and only focuses on special interest groups who voice objections... Once again, Alaska is lagging behind the nation in implementing a rational energy policy.

Raj Bhargava, MSME
Raj Bhargava Associates - Engineering in Alaska

3/21/90
Rep. Kay Brown

HB 358 - Minimum Thermal Energy Standards
Endorsements and Statements of Support

Alaska Center for the Environment
Alaska Community Development Corporation (Anchorage)
Alaska Federation of Natives
Alaska Health Project
Alaska Housing Finance Corporation
Alaska Housing Policy Development Committee
Alaska Public Interest Research Group
Alaska Rural Electric Cooperative Association
Alaska State AFL-CIO
Alaska State Employees Association
Alaska Village Electric Cooperative
Alaska Wilderness Alliance
Alaska Wildlife Alliance
Alaska Window (Fairbanks)
Alaska Chapter Sierra Club
Analysis North/Alaska Utility Consumer Advocate
Anchorage League of Women Voters
American Lung Association of Alaska
Anchorage Daily News
Anchorage Neighborhood Housing Services, Inc.
Anchorage Recycling Center
Architects Bisset/Simansko (Palmer)
Arctic Technical Services (Fairbanks)
Barrow Utilities and Electric Cooperative
Brandywine Homeowners Association (Eagle River)
Cedar Park Condominium Association (Anchorage)
Chugach Electric Association (Anchorage)
City and Borough of Juneau
City of White Mountain
City of Brevig Mission
City of Nome
City of Koyuk
City of Shishmaref
City and Borough of Sitka
Denali Citizens Council
Dick Mueller Realty, Inc. (Kenai)
Dinyee Village Corporation (Stevens Village)
Dory and Associates (Nome)
Ellington Construction (Homer)
ENSTAR Natural Gas Company (Anchorage)

Ester Construction (Fairbanks)
Fairbanks North Star Borough
Golden Valley Electric Association (Fairbanks)
Greenpeace USA
Kotzebue Electric Association
Heat Loss Analysis, Inc. (Anchorage)
Home Energy Service (Juneau)
Kachemak Bay Conservation Society
Levelock Village Council
Kodiak Island Mayors League
Low-Income Weatherization Policy Advisory Committee
McGlothlin Balivet Co. - Architects & Planners (Anchorage)
National Audubon Society
North Slope Borough
North and Northwest Alaska Mayors Conference
Nushagak Electric Co-operative, Inc. (Dillingham)
Older Alaskans Commission
Older Persons Action Group, Inc.
Raj Bhargava Associates/Enginering in Alaska (Anchorage)
Rotecki, Bill (Ketchikan)
Rural Alaska Community Action Program
Second Annual Rural Energy Conference Resolution
S.I.H. Inc. Weatherization (Fairbanks)
Southwest Alaska Municipal Conference
State of Alaska Energy Policy Task Force
Thermo-Kool of Alaska, Inc. (Anchorage)
Thompson, David (Fairbanks)
Tlingit & Haida Regional Electrical Authority
Trustees for Alaska
U.S. Department of Housing and Urban Development
Western Alaska Building and Construction Trades Council

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION : SS HB 358
PUBLISH DATE :

FISCAL NOTE

REQUEST:

Revision Date:
Title : "An Act..thermal & lighting energy standards..."
Sponsor : Reps Brown, M.Davis, MacLean, etc
Requestor :

Agency Affected : Community & Regional Affairs
BRU :
Components :

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

There is no fiscal effect for FY 90.

Prepared by : Jim [signature]
Division : Municipal & Regional Assistance
Phone : 465-4750
Date : 2/2/90

Approved by Commissioner : [signature]
Agency : Community & Regional Affairs
Date : 2/2/90

Distribution (by preparer) :
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

2/13/90
Rep. Kay Brown

COMPARISON OF MINIMUM THERMAL STANDARDS
Anchorage Gas-Heated Homes

	STATE*	HUD MPS	FHA	ASHRAE 90**
Ceilings	R 38	R 38	R 38	R 50
Walls	R 18	R 20	R 25	R 23.3
Floors	R 19	R 20	R 22	R 30.3
Windows	R 2.1 - 4 (1)	R 2.13	R 2.6	R 2.44
Doors	R 7 (one 2.5)	R 3.12	R 5	R 7.14

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* proposed state standard

** American Society of Heating, Refrigerating and Air-Conditioning Engineers "Energy Efficient Design of New Low-Rise Residential Buildings" (March 1989)

(1) under proposed state standard, variable according to window area as % of wall area.

Opinion

Energy costs drain the rural economy

By DAVID G. HOFFMAN

In most rural Alaskan communities energy casts are placing a serious strain on the local economy. this burden is illustrated by research showing that rural Alaskans spend between 16 percent and 37 percent 'of their family incomes on energy bills. In Anchorage energy costs take only two or three percent of a person's paycheck.

Local governments are feeling the pinch too, as the result of the downturn in the states economy combined with cuts in federal funding. Many rural communities have facilities that they can no longer afford to heat or maintain.

Alaska is one of only three states in the union without an energy standard for home construction, and all too often homes built here simply don't mensure up to the climate and states energy costs. A Department of Community and Regional Affairs Rural Housing needs assessment found that 28 percent of homes in rural Alaska could not ,maintain a healthy indoor air temperature of 70 degrees Fahrenheit during the long winter months, regardless of how well the furnace or woodstove is burning.

The wretched condition of rural housing was underscored in the Federal Housing and urban Development's recent audit of it's rural housing program. HUD auditors determined that rural housing projects "are being developed which are infeasible, improperly designed and inadequately constructed."

This can be seen in the Northwest Alaska community of Golovin, where a low income family living in a 400 square foot home uses a barrel of heating oil a week and still cannot achieve a comfortable temperature.

Answers are not hard to find

An obvious solution would be to construct home that can withstand the rigors of an Alaskan winter and have affordable heating bills. It's now possible to construct homes that are comfortable and healthy, and can be heated for less than $300 a year. The department of Community and Regional Affairs recently announced the award of a grant to build 13 such "superinsulated" homes in Golovin next summer.

The Alaska Craftsman Home Program, also sponsored by the Department of community and Regional Affairs, encourages the construction of such homes by offering training and technical assistance to contractors, lending institutions and home builders. Over 50 homes across the state are now being constructed to the program's voluntary standard. But voluntary standards are not enough.

Energy standard needed

In addition, the state needs to implement an energy standard for homes that have been purchased with state financial assistance. The department has developed a standard geared to the different regions of the state to reflect Alaska' diverse climate, energy expenses, and construction costs. Implementation of the standard is being delayed, however, by a legal challenge from a small group of urban contracts.

Rep. Kny Brown, D-Anchorage, has introduced legislation (House Bill 358) which addresses the legal issues raised by the suit, to clear the way to implement the standard. Alaskans deserve homes that are comfortable, healthy and affordable to heat.

Another solution would be to retrofit community facilities so they could have healthy temperatures and be less expensive to maintain. For example, it is possible to reduce a building's heating costs an average of 60 percent through remodeling it to so-called "superinsulation" values. New energy-efficient light bulbs can provide the same amount of light while using 35 percent less electricity and last four times longer than standard light bulbs.

These are not pie-in-the-sky dreams. Down to earth examples can be found in Tununak where the village clinic was superinsulated, reducing the annual $4,000 heating bill to $1,100. a Mat-Su Valley home will be heated by its water heater after it is retrofitted through the Alaska Craftsman Home Program. A lighting retrofit in Nikolai cost $2,246 and is expected to net a $1,151 savings in the first year.

Everybody benefits

The Low Income Weatherization Program assists those Alaskans who are least able to afford high energy bills. The heating expenses for needy Alaskans participating in the program have been cut by an average of 25 percent after receiving home improvements such as additional insulation, repairs to cracked walls and installation of efficient heating systems. This program makes particular sense for rural Alaska with its high energy costs, severe weather and high incidence of substandard housing.

Energy programs strengthen local communities by reducing the operating costs of homes and community facilities, ensuring long-term financial savings. And because the labor skills needed to make the improvements are easily attainable in each community, sorely needed jobs are created. it's a combination that makes sense for rural Alaska.

(David G. Hoffman is the Commissioner of the Department of community and Regional Affairs, which is responsible for energy conservation and weatherization programs in the state.)

2/20/90
Rep. Kay Brown

SECTIONAL ANALYSIS

CS SS HB 358 (Fin) - Minimum Thermal Energy Standards

Section 1. Amends the existing "General Powers" provisions (AS 18.56.090) of the Alaska Housing Finance Corporation (AHFC) to clarify that new homes financed with AHFC mortgage loans must comply with minimum thermal standards.

Section 2. Amends current AHFC statutes (AS 18.56.096) to provide that the corporation may not finance new homes constructed after December 31, 1990 unless the building meets minimum thermal energy standards.

Specific means are identified by which builders can demonstrate compliance with the minimum thermal standard. Alternatives are provided, including:

- **self-certification,** provided the contractor provides evidence of having completed the Alaska Craftsman Home Program;
- **an engineer's, architect's or building inspector's certification** that the standard has been met, provided the person making this certification has completed the Alaska Craftsman Home Program;
- **where a local government has an equivalent or higher thermal standard** within its code, **a copy of the Certificate of Occupancy** stating compliance with the local code;
- a showing that the home has received a **rating from Energy Rated Homes of Alaska** demonstrating equivalency with the state standard; or
- another method approved by the Commissioner of the Department of Community and Regional Affairs in consultation with the Executive Director of AHFC.

Section 3. Technical correction; conforming amendment resulting from the numbering changes in Section 1.

Section 4. Technical correction; conforming amendment resulting from the numbering changes in Section 1.

Section 5. Amendment to the original Declaration of Policy section to delete "commercial and industrial" buildings.

Section 6. Amendment to existing law (AS 46.11.040) to clarify that "state financial assistance" includes the purchase of new homes (i.e., home mortgages financed by AHFC) constructed after December 31, 1990. Clarification of existing statute to eliminate ambiguity concerning refinancing and make it clear that after December 31, 1990 state financial assistance would be conditioned on meeting the minimum standard. Clarification of existing statute to provide that a building is considered to be in compliance with the state standard if it complies with a local building code that is at least equivalent to the state minimum thermal energy standard.

Section 7. Amends the definitions section applicable to the chapter. Changes are made to reflect proper citations for the federal tax code and referenced federal law. Because "new building" is defined in context (see Section 2), the existing, separate definition is repealed as redundant. Clarification of the statutory authority of the Department of Community and Regional Affairs to develop the thermal standards for new residential homes built with state financial assistance and for the Department of Transportation and Public Facilities in the case of public facilities.

Section 8. State housing programs other than those administered by AHFC are encouraged to adopt the compliance methods identified in Section 2.

Section 9. Immediate effective date.

Alaska State Legislature

HOUSE OF REPRESENTATIVES

Official Business

P.O. Box V
State Capitol
Juneau, Alaska 99811

TO: Senator Mike Szymanski, Chair
Senate Community and Regional Affairs Committee

FROM: Representative Kay Brown

DATE: March 21, 1990

SUBJ: CS SS HB 358 (Fin) - Minimum Thermal Energy Standards

Thank you for scheduling **CS SS HB 358 (Fin), legislation that would require future new housing built with state financial assistance after December 31, 1990 to meet at least minimum energy efficiency standards.** The purpose of this memorandum is to provide you with some background information on the need for this legislation.

The Need for Minimum Thermal Energy Standards

Nearly all states have some form of minimum standard. It is ironic that, Alaska -- the state with the most extreme cold-weather temperatures and the highest heating costs in the nation -- is without even minimum energy efficiency requirements. The arguments in support of minimum standards are compelling:

- A survey of eight rural villages found that 16 to 37% of family income is spent on energy while a 1988 "Alaska Rural Housing Needs Assessment" found that 36% of rural homes could not maintain an indoor temperature of 70 degrees during the cold winter months.

- An audit of 714 HUD housing units concluded that "projects are being developed that are infeasible, improperly designed, and inadequately constructed" noting that many of the the rural housing units being constructed were generally unsuited for the harsh Alaskan environment (in some homes interior walls were sheathed in ice during the winter).

- The State of Alaska is the financier (and now owner through AHFC) of thousands of repossessed residential properties. Due to poor building

practices these REOs have required substantial funds to repair and upgrade simply to make them marketable.

- Typical home buyers do not have -- nor can they reasonably be expected to have -- the kind of technical expertise necessary to determine whether a home has been built to reasonable energy efficiency standards.

A point worth emphasizing is that under this legislation the state minimum thermal standards *would apply only to future new homes built with state financial assistance* (homes built "out-of-pocket" or financed without state assistance would not be subject to the standard.)

Legislative History of the Alaska Thermal Energy Standard

In 1980, the Alaska Legislature recognized the need for minimum energy efficiency standards by enacting Chapter 83 SLA 1980. This legislation provided for the development and adoption of minimum thermal and lighting standards (AS 46.11.010 -.900) for new structures built with "state financial assistance." Between 1983 and 1988, the Department of Community and Regional Affairs undertook an extensive public process with the help of an Advisory Committee that included representatives of the housing industry to develop an appropriate "regionalized" Alaska standard for new state-financed residential construction.

During the formulation of the standard the by the Advisory Committee a clear choice was made to recommend a truly *minimum* energy standard that a number of builders were already building to in a given region in order to assure that the standard would not cause a disruption in the marketplace. Ultimately, the advisory committee developed a **consensus** recommendation concerning a proposed minimum standard. However, just prior to the standard becoming effective last year a lawsuit was filed that exploited a drafting oversight in the original 1980 law.

Briefly, although the original 1980 legislation clearly stated the Legislature's intent to establish "mandatory energy efficiency standards for buildings purchased or constructed with state financial assistance" (emphasis added), the language actually codified into law only referenced financing "for the construction of" new structures. Due to this drafting oversight, the Superior Court ruled that the standard should apply only to state financial assistance in the form of direct construction lending. Pending appeal to the Alaska Supreme Court, implementation of the Standard has been enjoined. HB 358 was introduced to reaffirm the clear legislative objective of requiring that new homes financed through AHFC meet at least minimum thermal standards.

CS SS HB 358 (Fin)

In summary, CS SS HB 358 (Fin) would:

- explicitly reaffirm the original 1980 intent of the legislature that minimum thermal standards apply to homes constructed, as well as those financed through AHFC, with state financial assistance;

- make it clear that the thermal standards apply only to future new homes built with state-financial assistance homes (i.e., construction starting after December 31, 1990); and

- explicitly identify several alternative means by which builders can demonstrate compliance with the standard, including self-certification.

Assuming CS SS HB 358 (Fin) passes this session, the Department of Community and Regional Affairs would develop and adopt a new minimum standard by way of regulation. This public process will afford an opportunity for all affected parties to participate in the formulation of the minimum standard.

It should be noted that **a substantial number of Alaska homebuilders already construct homes that meet or exceed the state minimum standard** developed by DCRA prior to the lawsuit. These builders have expressed strong support for the standard, particularly because a minimum standard will help put quality homebuilders on a "level playing field" relative to less conscientious builders.

To put the minimum standard developed by DCRA into perspective, *for Anchorage gas-heated homes, the minimum insulation requirements under the proposed state standard are nearly identical to HUD's Minimum Property Standards.* It should be noted that significantly higher insulation levels for Anchorage homes are recommended in the most recent industry developed standard published by the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE, March 1989 - 90.2P). A comparison of these various standards is attached.

In any case, *passage of CS SS HB 358 (Fin) would require that the state minimum thermal standard be developed anew.* This means that a new standard (presumably building on the extensive work already done to date) would be developed by the Department of Community and Regional Affairs by regulation with full public participation.

Although there is apprehension regarding the proposed requirement for thermal standards by some members of the homebuilding industry, as you

can see by the attachments, CS SS HB 358 (Fin) has broad support from all across the state. **During the most recent House Finance Committee hearing, builders from Nome to Sitka testified in unanimous support of the bill and the need for minimum thermal standards.** I have also provided excerpts of testimony and comment from various builders and other housing professionals that endorse this legislation and the need for minimum thermal energy standards.

Finally, although we can not rectify many of the housing problems that have resulted from poor building practices in the past, we can make a new start in the 1990s.

I appreciate your consideration of this legislation.

attachments

MEMORANDUM

State of Alaska
Department of Law

TO: Hon. Don Collinsworth
Commissioner
Department of Fish & Game

DATE: August 30, 1988

FILE NO: 663-88-0308

TEL NO: 465-3600

SUBJECT: Anchor River/Fritz Creek critical habitat area management plan

LIS

FROM: Larri Irene Spengler
Assistant Attorney General
Natural Resources Section-Juneau

You have inquired about the effect of a provision in the statute that created the Anchor River/Fritz Creek critical habitat area which states that the management plan that your department is mandated to develop "shall take effect when approved by act of the legislature." As discussed below, we believe that provision in AS 16.20.605(d) may be unconstitutional as a violation of the separation of powers doctrine. However, because we cannot predict with absolute certainty how a court would rule on that issue, and because failure to follow the statutory directive could render enforcement of the management plan legally vulnerable, we recommend, as discussed below, that you adhere to it as a matter of practicality.

POTENTIAL UNCONSTITUTIONALITY

Generally speaking, it is the legislature's duty to make laws, not enforce them. The United States Supreme Court has defined "legislative powers" as follows:

> Legislative power, as distinguished from executive power, is the authority to make laws, but not to enforce them or appoint agents charged with such enforcement.

Springer v. Philippine Islands, 227 U.S. 198 (1928). Put another way:

> Legislation consists in laying down laws or rules for the future; administration has to do with the carrying out of those laws into effect, their practical application to current affairs by way of management and oversight including investigation, regulation and control, in accordance with, and in execution of, the principles prescribed by the lawmaker ...

Mitchell Cole & Co. v. Pennsylvania R.R. Co., 230 U.S. 247 (1913) (Pitney, J., dissenting).

An impermissible assumption of power by a legislative body has been described as follows:

> In other words, the general assembly not only passed an act -- that is, made a law -- but it made a joint committee of the Senate and the House as its executive agent to carry out that law. This is a clear and conspicuous attempt by the general assembly to confer executive power upon a collection of its own members.

Stockman v. Leddy, 129 P. 220, 223 (Col. 1912).

The Alaska Supreme Court has held that the doctrine of separation of powers, though not expressly set out in the Alaska Constitution, is clearly implied. Public Defender Agency v. Superior Court, 534 P.2d 947 (Alaska 1975). Furthermore, the court has recognized that it was a purpose of the framers of the Alaska Constitution to create a strong executive branch of government. Bradner v. Hammond, 553 P.2d 1 (Alaska 1976). See also State v. A.L.I.V.E. Voluntary, 606 P.2d 769 (Alaska 1980); Immigration and Naturalization Service v. Chadah, 462 U.S. 919 (1983); and 1976 Op. Att'y Gen. No. 28 (July 22).

This office has in other instances concluded that provisions similar to the legislative approval requirement in the Anchor River/Fritz Creek statute were probably unconstitutional, under the separation of powers doctrine. For example, our office has noted that a statute requiring legislative approval of an individual contract or a specific energy project was possibly constitutionally infirm. 1976 Inf. Op. Att'y Gen. (Feb. 11; Boness) ; 1981 Inf. Op. Att'y Gen. (Nov. 3; J66-159-82); 1985 Inf. Op. Att'y Gen. (Aug. 13; 166-065-86). Similarly, we opined that a proposed constitutional amendment which would have authorized the legislature to require by law that the disposal of state lands or interests therein be subject to legislative approval would have abrogated the separation of powers doctrine as it applied to the disposal of the state's resources. 1976 Inf. Op. Att'y Gen. (May 28; Pegues). As a further example, we have addressed proposals regarding possible legislative oversight of portions of the Alaska Coastal Management Program, and concluded that formal legislative oversight would raise serious separation of powers questions under the Alaska Constitution. 1980 Inf. Op. Att'y Gen. (Oct. 8; J66-019-81); 1987 Inf. Op. Att'y Gen. (April 1; 663-87-0392).

The provision contained in the statute in question similarly requires legislative action before an executive action becomes effective, thus arguably in essence making the legislature into an executive agent. Consequently, we believe that the requirement may similarly be constitutionally infirm. However, we cannot predict with absolute certainty how a court would rule on that issue. In addition, because the management plan will form the basis for issuing, conditioning, and denying permits by the Department of Fish and Game in the critical habitat area, its validity may be a key to later enforcement actions with respect to activities in that critical habitat area. Failure to follow the statutory directive to obtain legislative approval could render the plan vulnerable to legal challenge, and thus undercut later enforcement actions. Therefore, we recommend that as a matter of practicality you comply with the provision in question, or seek its repeal. Some suggestions with respect to that compliance are set out below.

RECOMMENDED APPROACH

Under AS 16.20.520 and AS 16.20.530, the Department of Fish and Game and the Boards of Fisheries and Game are given authority to regulate activities in critical habitat areas which the agencies determine may affect fish or game or their habitat. 1985 Opin. Att'y Gen. No. 4 (Nov. 8). With respect to its similar authority in state game refuges, AS 16.20.050 and AS 16.20.060, the department develops management plans, and then adopts by reference into regulation the portions of the plans upon which permitting decisions will rest. See, for example, 5 AAC 95.500. It is our understanding that the Department of Fish and Game and the Boards of Fisheries and Game intend to follow the same procedure with respect to management plans for critical habitat areas, and indeed such a process is required if agency decisions which will affect the public are going to be made relying on particular guidelines in the plans. Kenai Peninsula Fisherman's Cooperative Association, Inc. v. State, 628 P.2d 897 (Alaska 1981).

Normally, the department and the boards would develop a draft plan, publish notice with respect to the adoption of that plan, receive public comment, and then finalize the plan, and incorporate the relevant portions of it into regulation by reference. In this instance, however, the requirement that the

management plan "shall take effect when approved by act of the legislature" */ complicates that approach somewhat.

We recommend that the department and board prepare the plan and the regulation which would incorporate the relevant portions of the plan by reference, follow the Administrative Procedure Act process up to but not including the point of actual adoption, and then submit a short bill to the legislature which, if enacted, would approve the plan as developed. If the legislature enacted the bill, the agencies could take the final step in adopting the regulation. If the legislature enacted the bill, but amended it to modify portions of the plan, as long as the modifications still fell within the original legal notice given for the adoption of the regulation, the agencies could make similar amendments and adopt the plan as amended into regulation. In order to minimize confusion on the part of the public as to when the plan becomes effective, we recommend that the plan contain a provision that it will take effect after approval by the legislature and final adoption by the agencies.

You have also inquired whether future amendments to the plan would have to be implemented through act of the legislature, or through the Administrative Procedure Act processes. The answer to that question is not clear from the statute. However, the question could be obviated if the plan as developed contains a provision that future amendments would occur under the Administrative Procedure Act, without need for legislative approval. If that language is included in the plan, and the plan is approved by the legislature, there will be no need to return to the legislature for approval of future amendments.

Of course, an alternative--or perhaps a parallel--track to the above would be to submit a bill to the legislature amending AS 16.20.605(d) to excise the sentence in question. Whether you choose to follow one or both of those courses of action will, of course, depend on your assessment of the overall likelihood of

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*/ You have inquired whether action by resolution would suffice. Under State v. A.L.I.V.E. Voluntary, 606 P.2d 769 (Alaska 1980), legislative action by resolution would not be sufficient. The legislature would have to, as stated in the statute, approve the measure by act. The enactment would not necessarily have to modify the statute, but instead could simply become part of the session laws for the relevant year.

success, and the advantages and disadvantages to trying only one, or both, approaches.

If this office can be of any further assistance to you, please let us know.

LIS:jf

cc: Norman Cohen
Frank Rue
Debbie Clauson
Department of Fish and Game

Liza McCracken
Anchorage AGO

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

P.O. BOX K—STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE (907) 465-3600

November 20, 1989

M E M O R A N D U M

TO: Honorable Steve Cowper
Governor

FROM: for Douglas B. Baily
Attorney General

RE: Attached final version of bill on
Anchor River/Fritz Creek Management Plan
Our file: 773-90-0019

At the request of your legislative liaison, Bob Evans, relayed to us by your legislative staff assistant, Shari Kochman, in her November 15, 1989 memo to this department, the final version of this bill is attached. It is identical to the October 2, 1989 draft. We have prepared it for introduction in the House, as requested by Shari.

No change is required in the October 2, 1989 draft transmittal letter, so no new draft transmittal letter is attached.

DBB:AHP:cb

cc w/enc.: Honorable Don Collinsworth, Commissioner, ADFG
Honorable Lennie Gorsuch, Commissioner, DNR
Warren Wiley, Assist. Comm'r, ADFG
Frank Rue, Director, Habitat Division, ADFG
Alison Elgee, Director, Div. of Budget Review, OMB
Mary Halloran, Director, Division of Policy, OMB
Larri Irene Spengler, Assist. Att'y Gen'l, Juneau

go00190h

BY THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

IN THE HOUSE

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the Anchor River and Fritz Creek Critical Habitat Area management plan; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 16.20.605(d) is repealed and reenacted to read:

(d) The Anchor River and Fritz Creek Critical Habitat Area management plan adopted by the Department of Fish and Game and dated June 1989 is approved. Amendments of the goals and policies of the management plan shall be accomplished through the Administrative Procedure Act, AS 44.62.

* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

Anchor River Fritz Creek Critical Habitat Area Management Plan

° On the initiative of local citizens and a grass roots effort, the Anchor River Fritz Creek Critical Habitat Area was established in 1985 to protect and preserve habitat and fish and wildlife populations, especially moose.

° The statute creating the critical habitat area directed that a management plan be prepared. The purpose of the plan is to provide consistent, long range direction in managing the critical habitat area.

° The planning process began with a public meeting held in December, 1987 to identify the issues that should be addressed in the plan.

° Department staff prepared a resource inventory of fish and wildlife and their habitats; public access; land use; and land ownership.

° The planning team composed of state, federal and local agency representatives with authority on critical habitat area lands developed the draft management plan based on the issued identified at the public meeting, critical habitat area resource values, the purpose for which the critical habitat area was established and other guidance provided in law.

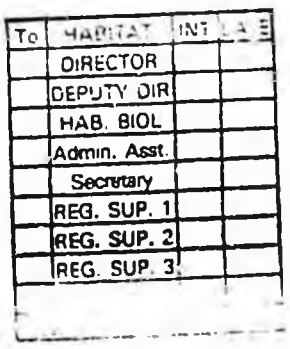
° The draft management plan was sent out for public review and a public hearing was held to solicit comments.

° The final plan was prepared based on comments received during the public review period.

° The plan does not address harvest regulations, which are the authority of the Boards of Fish and Game.

° The plan applies only to state lands within the critical habitat area. (There are several private inholdings).

° The management plan is now awaiting implementation by Act of the legislature, as specified in statute.



MEMORANDUM

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

TO: The Honorable Don Collinsworth
Commissioner
Department of Fish and Game

DATE: August 15, 1989

FILE NO:

TELEPHONE: 465-2400

FROM: Lennie Gorsuch
Commissioner

SUBJECT: Anchor River/Fritz Creek Critical Habitat Area

In an August 2 memorandum, you requested my full endorsement of the Anchor River/Fritz Creek Critical Habitat Area Management Plan.

The Alaska Department of Natural Resources has assisted the Alaska Department of Fish and Game in preparing the Anchor River/Fritz Creek Critical Habitat Area Management Plan and does endorse its recommendations. This plan establishes policies that will guide land uses that the Department of Natural Resources must either permit or review. The Department of Natural Resources will use this plan as guidance in implementing its authorities under Title 38 of Alaska Statutes.

We appreciate the cooperation and assistance by your staff in working with us on this matter.

cc: Tom Hawkins, Assistant Commissioner
Gary Gustafson, Director
Division of Land and Water Management
Frank Rue, Director
Division of Habitat
Department of Fish and Game

ALASKA DEPT. OF FISH & GAME

AUG 28 1989

REGION II
HABITAT DIVISION

To	HABITAT	INT	DATE
1	DIRECTOR		
	DEPUTY DIR		
	HAB. BIOL		
	Admin. Asst.		
2	Secretary		
	CTIII		
FILE			

cc: ADF&G

RECEIVED
AUG 1[illegible] 1989
HABITAT

KENAI PENINSULA BOROUGH
144 N. BINKLEY • SOLDOTNA, ALASKA 99669
PHONE (907) 262-4441

DON GILMAN
MAYOR

January 4, 1990

Debra Clausen
Department of Fish & Game
Habitat Division
333 Raspberry Road
Anchorage, Alaska 99518-1599

Dear Ms. Clausen,

I have reviewed the final draft of the Anchor River/ Fritz Creek Critical Habitat Area Plan and support adoption of this plan by the legislature.
The plan is consistent with the Borough's Concept Approved Coastal Management Program, and includes a good balance between environmental protection and human use and enjoyment of the area.

The Borough has requested relinquishment of the municipal selections in T5S, R13W as recommended in the plan.

Thank you for the opportunity to comment.

Sincerely,

Sylvia Spearow

Sylvia Spearow

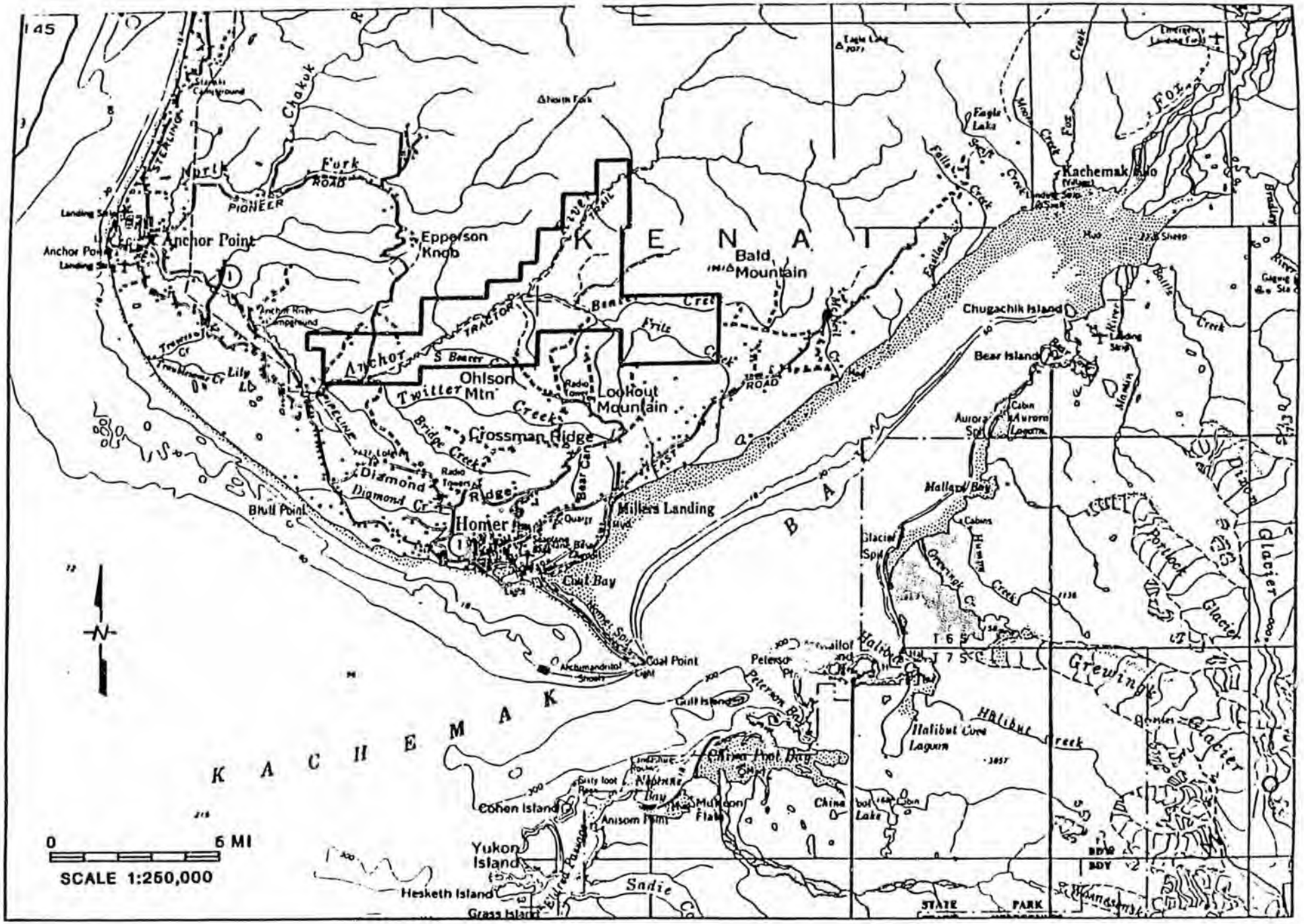
ANCHOR RIVER/FRITZ CREEK
CRITICAL HABITAT AREA
MANAGEMENT PLAN

JUNE 1989

Prepared by the
Divisions of Habitat and Wildlife Conservation

Alaska Department of Fish and Game
333 Raspberry Road
Anchorage, Alaska 99518

Don W. Collinsworth, Commissioner



ANCHOR RIVER FRITZ CREEK CRITICAL HABITAT AREA

TABLE OF CONTENTS

..... 1

..... 4

..... 6

..... 9

n/Education..... 9
ildlife Habitat Enhancement..... 9
ts/Reservations..... 9
ess..... 9
..... 9
Vehicle Use..... 9
sition.....10
Selections.....10
oads.....10
ds.....10
ound Roads.....10
agement/Insect and Disease Management.....11
agement/Limited Tree Removal.....11
agement/Timber Harvest.....11
ement.....11
s.....11
xtraction.....11
inerals.....12
Minerals.....12
.....12
.....12
.....12

.....13

nventory.....A1

ACKNOWLEDGEMENTS

The Anchor River/Fritz Creek Critical Habitat Area was first proposed by the Kenai Peninsula Critical Habitat Task Force, a group of citizens concerned about the protection of this important area. It is largely through their support and the support of the citizens of Homer that the Anchor River/Fritz Creek Critical Habitat Area was established in 1985.

The Anchor River/Fritz Creek Critical Habitat Area Management Plan was prepared by a multi-agency planning team lead by the Department of Fish and Game (ADF&G). Planning team representatives are as follows:

Debra Clausen	ADF&G, Habitat Division
John Matthews	ADF&G, Wildlife Conservation Division
Dave Holdermann	ADF&G, Wildlife Conservation Division
Dave Watsjold	ADF&G, Sport Fish Division
Sandra Cosentino	Department of Natural Resources
Tim Rumfelt	Department of Environmental Conservation
Hank Hosking	U.S. Fish and Wildlife Service
Kevin Fenner	Kenai Peninsula Borough
Susan Regan	City of Homer
Tom Arminski	Alaska Power Authority

Other ADF&G staff have contributed significant time and expertise in developing this plan including Lance Trasky and Steve Albert of Habitat Division, Tom Schroeder of Commercial Fisheries Division, and John Westlund of Wildlife Conservation Division. Department of Natural Resources staff Helen Nienhueser, Division of Land and Water Management; Wade Wahrenbrock, Division of Forestry; Mitch Henning, Division of Mining; Bonnie Friedman, Division of Agriculture; and Leila Weiss, Division of Oil and Gas also deserve recognition for their contributions in the development of this plan.

INTRODUCTION

Anchor River/Fritz Creek Critical Habitat Area, located in the southern Kenai Peninsula north of Homer, includes 19,000 acres of river bottoms, muskegs, upland spruce forests and subalpine meadows in the upper portions of the South Fork Anchor River and Fritz Creek drainages. The critical habitat area was established by the Alaska Legislature in 1985 for the purpose of protecting natural habitat critical to the perpetuation of fish and wildlife, especially moose. The critical habitat area contains portions of two of the most important moose ranges on the southern Kenai Peninsula.

The purpose of the Anchor River/Fritz Creek Critical Habitat Area Management Plan is to provide consistent long-range guidance to the Department of Fish and Game in managing the critical habitat area.

A variety of commercial and recreational activities have occurred in or been proposed for the critical habitat area. In order to evaluate the compatibility of these activities with the protection of fish and wildlife, their habitats, and public use of the critical habitat area, the Department of Fish and Game has undertaken this comprehensive critical habitat area management planning process.

The plan presents management goals for the critical habitat area and its resources and identifies policies to be used in determining whether proposed activities are compatible with the protection of fish and wildlife, their habitats, and public use of the area. The plan will guide management of the critical habitat area for the next ten years and will be reviewed after five years for necessary updates or amendments. The plan affects state lands only. Private lands within the boundaries of the area are not subject to critical habitat area authority. Harvest regulations for fish and wildlife populations are not addressed by this plan.

This document is the result of a public planning process led by the Department of Fish and Game. It was developed by a planning team represented by the following state, federal, and municipal agencies: the Alaska Departments of Fish and Game, Natural Resources, and Environmental Conservation; the Alaska Power Authority; Kenai Peninsula Borough; City of Homer; and the United States Fish and Wildlife Service. At the outset a public meeting was held in Homer to explain the planning process and solicit citizens' issues, interests, and concerns for the critical habitat area. Public input from this meeting was used by the planning team to formulate a list of issues to be addressed in the plan. At the same time resource information on the critical habitat area's fish and wildlife populations and their habitats, other natural resources, existing land use and land ownership was being collected and synthesized. This

information, presented in both map and narrative form comprises the plan's Resource Inventory.

Management goals and policies for the critical habitat area were developed by the planning team to address the identified issues. All policies were developed with consideration of their ability to meet the formulated management goals. In some cases alternative policies were developed. Each alternative policy was analyzed according to its ability to meet the management goals.

The draft plan went out for public review. Based on comments received during the public review process, the final plan was prepared. The plan is now being sent to the legislature for approval as directed in AS 16.20.605(d). Finally, the Commissioner of Fish and Game will adopt the plan for use by the department in managing the critical habitat area. At that point, the plan can be implemented by the Department of Fish and Game.

Future land use activities within the critical habitat area, including those proposed by the state, will be approved, conditioned, or denied on the basis of their consistency with the goals and policies provided in this plan as well as state laws and regulations. A Special Areas Permit is required for any habitat altering work, including any construction activity, in a designated Critical Habitat Area (5 AAC 95). A Special Areas Permit application form can be obtained from any Department of Fish and Game office and should be submitted to the Habitat Division Regional Office in Anchorage.

Future management activities of the Department of Fish and Game in the critical habitat area will also be directed by this plan. Research programs, public use facilities and other department projects will be consistent with the goals and policies presented in this plan.

Other state, federal, and local agencies have management responsibilities on critical habitat area lands as well.

Any use, lease or disposal of resources on state land in the critical habitat area requires Department of Natural Resources authorization. Activities affecting air or water quality require authorization from the Department of Environmental Conservation. The U.S. Army Corps of Engineers evaluates applications of the Department of the Army (DA) permits for discharging dredged and fill material in waters of the United States including wetlands. Various federal and state agencies, along with local governments, review proposals for DA permits, pursuant to the Fish and Wildlife Coordination Act (16 USC 661-666R). The Kenai

Peninsula Borough reviews and comments on all permit proposals within the coastal zone, including the Anchor River/Fritz Creek Critical Habitat Area.

This plan will be formally reviewed and, if appropriate, updated every ten years. Public participation will be solicited during the update process.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT	DIVISION	BILL NUMBER	SPONSOR
Fish and Game	Habitat	HB424	House Rules at Request of Governor

SHORT TITLE OF BILL

Anchor River and Fritz Creek Critical Habitat Area Management Plan

DEPARTMENT POSITION

Support

PREPARED BY	DATE	COMMISSIONER'S SIGNATURE	DATE
Frank Rue, Director	2/5/90		2/6/90

SUMMARY

OTHER AGENCIES AFFECTED BY BILL	CONSTITUENT GROUP(S) AFFECTED BY BILL
Department of Natural Resources	Homer area residents
ORGANIZATIONAL SUPPORT FOR BILL	**ORGANIZATIONAL OPPOSITION TO BILL**
	None

FISCAL IMPACT: ☐ NONE ☒ FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

The purpose of the bill is to implement the Anchor River and Fritz Creek Critical Habitat Area Management Plan developed through a public planning process conducted by the Department of Fish and Game as directed in AS 16.20.605(d).

ANALYSIS OF BILL/PROGRAM EFFECTS

The bill will implement the Anchor River and Fritz Creek Critical Habitat Area Management Plan and allow future plan updates and amendments to be implemented through the Administrative Procedure Act.

AMENDMENTS PROPOSED

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: HB424
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Anchor River/Fritz Creek Critical Habitat Area Mgmt. Plan.
Sponsor: _____
Requestor: Governor

Agency Affected: Dept. of Fish and Game
BRU: Habitat Division
_____
Components: _____
_____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0					
TRAVEL	0					
CONTRACTUAL	0					
SUPPLIES	0					
EQUIPMENT	0					
LAND & STRUCTURES	0					
GRANTS, CLAIMS	0					
MISCELLANEOUS	0					
TOTAL OPERATING	0					
CAPITAL	0					
REVENUE	0					

FUNDING: (Thousands of Dollars)

GENERAL FUND	0					
FEDERAL FUNDS	0					
OTHER	0					
TOTAL	0					

POSITIONS:

FULL-TIME	0					
PART-TIME	0					
TEMPORARY	0					

ANALYSIS: (Attach a separate page if necessary)

No FY 90 impact

Prepared by: Frank Rue, Director
Division: Habitat
Phone: 465-4105
Date: 2/5/90

Approved by Commissioner: _____
Agency: Department of Fish and Game
Date: 2/5/90

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

P.O. BOX 3-2000
JUNEAU, ALASKA 99802-2000
PHONE: (907) 465-4100

March 16, 1990

The Honorable Mike Szymanski
Chairman
Community & Regional Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Szymanski:

Please accept this request to schedule a hearing at your earliest convenience for HB 424, "An Act relating to the Anchor River and Fritz Creek Critical Habitat Area management plan," sponsored by the Rules Committee at the request of the Governor.

This plan went through a lengthy public process, and it is important that the goals and policies of the plan be implemented as quickly as possible.

Thank you for your help with this request.

Sincerely,

for Don W. Collinsworth
Commissioner

11-K2LH

H B 478

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: HB 478
PUBLISH DATE: 3-12-90

FISCAL NOTE

REQUEST:

Revision Date:
Title: Act relating to solid and haz. waste management
Sponsor: Rep. Ulmer
Requestor: House Finance

Agency Affected: ADEC
BRU: Environmental Quality

Components: Environmental Quality Projects

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	146.0	146.0	146.0	146.0	146.0	146.0
TRAVEL	12.0	12.0	12.0	12.0	12.0	12.0
CONTRACTUAL	24.0	24.0	24.0	24.0	24.0	24.0
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	15.0	15.0	15.0	15.0	15.0	15.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	500.0	500.0	500.0	500.0	500.0	500.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	700.0	700.0	700.0	700.0	700.0	700.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	700.0	700.0	700.0	700.0	700.0	700.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	700.0	700.0	700.0	700.0	700.0	700.0

POSITIONS:

FULL-TIME	3.0	3.0	3.0	3.0	3.0	3.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS : (Attach a separate page if necessary)

Funds Ecologist III 77.4
Project Coordinator 70.5
Admin. Assist I 52.1

Prepared by: Rep. Lyman Hoffman&Rep. Ron Larson Co-chairs Phone: 465-3757
Division: House Finance Date: 3-12-90

Approved by Commissioner: Date:
Agency:

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF ENVIRONMENTAL QUALITY

SOLID WASTE AND WASTE REDUCTION STAFFING

The House Finance Committee requested information concerning the Department's ability to carry out the duties described in CSHB 478 with existing Solid Waste Management and Waste Reduction Project staff.

SOLID WASTE MANAGEMENT PROJECT

The Department currently has 2 full-time equivalent (FTEs) staff members in the Central Office, a Solid Waste Project Manager and an Environmental Engineer, the latter added in FY 90 by the Toxics Control Increment to work on industrial waste issues. Another 12.5 FTEs are technical staff positions distributed among the Department's three regional offices and 14 district offices. These field staff positions include 1 FTE for drilling waste and 5 FTEs added in FY 90 by the Toxics Control and the Rural Health Increments, respectively. The remaining staff provide regional program management and administrative support of the technical staff.

The Solid Waste Management Project now is responsible to:

- Maintain regulations that prescribe standards for the collection and disposal of garbage, refuse, and other solid wastes from industrial, commercial, agricultural, and community activities at an estimated 750 solid waste landfills, 400 oil and gas drilling sites, and 150 other waste disposal sites in Alaska;

- Annually issue permits for approximately 100 solid waste disposal facilities, including municipal landfills, oil and gas drilling waste sites, ore processing waste disposal sites, wood waste disposal sites, and other industrial waste disposal sites;

- Annually conduct approximately 130 inspections of solid waste disposal sites to determine the operators' compliance with the Department's regulations and permit conditions;

- Annually respond to approximately 100 citizen complaints involving the improper management or disposal of solid wastes;

- Prepare enforcement actions for violations of Alaska's solid waste management laws;

- Monitor and influence the development of proposed federal legislation and regulations for municipal solid wastes, oil and gas drilling wastes, infectious wastes, mining and ore processing wastes, and marine debris, to ensure they properly apply to and benefit Alaska; and

- Assist Alaskan communities to improve their local solid waste management and disposal practices and facilities and comply with federal and state requirements, including MARPOL, through education and direct technical assistance;

The Solid Waste Management Project is unable to add further responsibilities or shift current staff responsibilities to perform many of the tasks included in CSHB 478. The Department's existing Solid Waste Management Project staff already is unable to keep pace with the demands placed upon them. The Department proposed an FY 91 Solid Waste Management operating budget increment to improve the capacity of the Solid Waste Project to meet the current and projected demands. This increment was not recommended to the Legislature by the Governor.

WASTE REDUCTION PROJECT

The Department's Waste Reduction Project was initiated in FY 90. The Project's staff now consists of one full-time Ecologist position, funded by a two-year, Source Reduction, Recycling, and Technical Assistance (SRRTA) grant from EPA for hazardous waste reduction. Because the SRRTA grant was awarded to conduct specific hazardous waste reduction projects described in the application's workplan, the Department will be unable to devote any of this staff member's time to the tasks described in CSHB 478, except to the extent that those tasks overlap. The Legislature declined to fund two hazardous waste reduction positions requested by the Department in conjunction with enactment of HB 106 in 1989. Under the terms of the EPA SRRTA grant and within the limits of funding provided by the Legislature in FY 90, the Waste Reduction Project now is responsible to:

- Provide technical assistance on waste reduction methods to Alaska businesses, government agencies, and communities;

- Develop a long-term plan to provide waste reduction and recycling technical assistance to businesses and government agencies;

- Develop a multi-media pollution prevention plan within the agency and implement it;

- Evaluate other state government programs for their potential involvement in an integrated Alaska pollution prevention plan;

- Work with other Northwest states and EPA to discuss regional waste reduction issues and develop regional waste reduction plans; and

- Work with the Alaska Health Project, a co-recipient of the SRRTA grant, who will provide waste reduction technical assistance to businesses, answer public inquiries, develop a waste reduction course curriculum for the University of Alaska Anchorage, produce a waste reduction newsletter, conduct waste reduction seminars, and design and implement a pilot waste reduction project in the North Slope Borough;

Laurie Ferguson Craig

20 February 1990

TESTIMONY OFFERED FOR WRAP ACT

Thank you for the opportunity to testify in support of this package of bills. The WRAP Act offers positive, forward steps in protecting our environment from unnecessary waste while saving our natural resources through their careful reuse.

Many of us who grew up in a time when we were persuaded by advertisers that everything was manufactured for our "convenience" and that "no deposit-no return" thinking was our birthright, have come to see the consequences of our actions: Landfills are bulging, skies are bruised by polluted air from automobiles and incinerators, and surface water is concentrating chemicals and organisms that negatively affect drinking water sources.

In the next two months we will see the commemoration of two significant events: the oil spill and Earth Day. The wreck of the Exxon Valdez - in addition to shocking the world into the reality of the cost of our demand for resources - inspired the creation of the Valdez Principles, a set of ten

Etchings • Serigraphs • Drawings
P.O. Box 35306 • Juneau, Alaska 99803-5306 • (907) 789-2768

guidelines to encourage corporate operations to function in an environmentally ethical manner. One of the provisions specifically addresses waste reduction, careful disposal and recycling. Corporations are discovering that they can no longer ignore consumer demand for ecologically responsible actions. Profits and good will both result from attention to environmentalism at corporate levels, according to the cover story of the current issue of FORTUNE Magazine.

Preparations for the celebration of Earth Day 1990 on Sunday, April 22 are underway internationally as well as locally. It was the first Earth Day twenty years ago which provided the impetus for the establishment of the U.S. Environmental Protection Agency, which is now being upgraded to a cabinet level position by President Bush. Therefore, ~~for~~ your introduction of this group of bills is indeed timely.

In closing, I would like to briefly mention some statistics from Earth Care Paper's catalog of recycled paper products:

> "Producing one ton of paper from discarded waste paper uses half the energy, half the water, results in 74% less air pollution and 35% less water pollution, saves 17 pulp trees, reduces solid waste going to landfills, and creates five times more jobs than producing a ton of paper from virgin wood pulp."

I commend you for producing this package of bills and encourage you to provide adequate funding to the agencies designated to fulfill its mandate.

Laurie Ferguson Craig

Kachemak Heritage Land Trust
P.O. Box 2400 Homer, Alaska 99603

March 8, 1990

Dear Swack,

We would like to express our support for your efforts to encourage recycling programs in Alaska. The House bills 478 to 481 sound promising as a start toward more constructive use of our natural resources. We would like to see waste reduction programs introduced in the schools. Educating children about the importance of responsible resource management and at the same time reducing a large amount of waste demonstrates a commitment to the future.

The Senate "Bottle Bill", requiring deposits on beverage bottles and the prohibition of plastic rings on six-packs also deserves support. These measures have already proved successful in other states as a means of both reducing the amount of trash that chokes landfills and conserving our resources by reusing the glass to make new products.

The procurement of recycled paper in state agencies would set a good example for other offices and help increase a demand for such products so that office supply stores would be willing to stock these supplies. We look forward to the day when recycling is mandatory, but realize that these changes come slowly, and appreciate any steps in that direction.

Right now we have reservations about the Senate bill 441 prohibiting single use diapers because some studies indicate that "biodegradable" diapers may take much longer to decompose than manufacturers would have us believe, and most people require an alternative to cloth diapers.

The Kachemak Heritage Land Trust will be following these bills throughout the Legislative session and hope you will show continued support. Please recycle! Share this letter with your fellow legislators.

Sincerely,

Mary Grisvold KHLT Volunteer

Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802 907-586-2345

February 19, 1990

Representative Eileen MacLean
Chair, Community and Regional Affairs Committee
Pouch V
Juneau AK 99811

Dear Representative MacLean,

The Alaska Environmental Lobby represents a coalition of 21 Alaskan organizations concerned with environmental quality. I would like to express AEL's support for House Bills 478, 479, and 480, collectively known as the WRRAP Act.

HB 478, introduced by Representative Ulmer, provides a strong framework for responsible management of Alaska's solid wastes. AEL strongly supports policies that encourage waste reduction and recycling.

HB 479, introduced by Representative Brown, will stimulate interest in recycling and responsible use of resources. An award system for Alaskan schools will increase awareness among Alaska's young people, and help them set an example for their communities.

HB 480, introduced by Representative Boyer, will expand the availability of the Clean Water Fund to allow loans for municipal solid waste management projects. In light of the eventual certainty of declining oil revenues, AEL believes that HB 480 demonstrates a laudably realistic approach to the serious solid waste problems facing Alaska.

Thank you for hearing these bills in the Committee on Community and Regional Affairs.

Sincerely,

Molly Kemp

Molly Kemp
AEL Volunteer

Bristol Bay
Coastal Resource Service Area
P.O. Box 3110, Dillingham, Alaska 99576
(907) 842-2666—842-2667

April 4, 1990

Representative Grusendorf
Alaska State Legislature
Juneau, Alaska 99811

Dear Representative Grusendorf:

The Bristol Bay Coastal Resource Service Area (CRSA) Board is a locally elected body responsible for implementing a coastal management program for the Bristol Bay region. We are writing to express our full support for CS for HB 478 - an act relating to solid and hazardous waste management.

We consider HB 478 to be one of the most important bills before the legislature. Solid and hazardous waste disposal is perhaps the most pressing environmental and human health problem facing our region. At present, there is just one DEC permitted landfill site in the entire region serving only two of the thirty communities in Bristol Bay. The lack of adequate landfill facilities is a particularly acute problem for coastal communities within established commercial fishing districts which do not have the resources to deal with the tremendous volume of waste generated by fishing vessels and seafood processors. As a result, waste is dumped directly into either marine waters and intertidal areas or on the beaches.

Passage of HB 478 would be a monumental step towards alleviating the solid and hazardous waste problems facing the majority of local governments in the state. We hope that you recognize the importance of this bill and schedule it for immediate floor action.

Thank you for your consideration of this letter.

Sincerely,

Alice Ruby

Alice Ruby
Chairperson
Bristol Bay CRSA Board

cc: Representative Ulmer
Representative Brown
Representative Jacko
Representative Davidson
Senator Zharoff